

HANZEVAST CAPITAL N.V.

At Hilversum

Annual report 2006

Registration Chamber
of Commerce:
32067248

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MANAGEMENT REPORT

In accordance with article 394, paragraph 4, Book 2 of the Netherlands Civil Code, the management report is open for inspection at the office in Hilversum. On request a complete or partly copy is obtainable at cost price.

ANNUAL ACCOUNTS

PRINCIPLES OF FINANCIAL REPORTING

General

This balance sheet and notes to the balance sheet, compiled for filing at the trade register, have been derived from the annual report 2006, compiled by the management of the company. The company meets the criteria for a medium-sized company (article 396, Book 2 of the Netherlands Civil Code). Therefore simplifications have been made to this report in accordance with article 397, Book 2 of the Netherlands Civil Code. The auditor's report in this report has been derived from the Other Information which have been added to the prepared annual report.

General accounting policies

The general principle for the valuation of assets and liabilities, as well as the determination of results, is the historical purchase price or manufacturing cost. Unless otherwise stated, assets and liabilities are stated at the values at which they were acquired or incurred.

Translation of foreign currencies

Assets and liabilities in foreign currencies are translated at the official rates of exchange ruling at the balance sheet dates. Transactions in foreign currencies are translated at the applicable exchange rate on the date of the transaction. The resulting exchange differences are accounted for in the profit and loss account.

Consolidation

The consolidated accounts comprise the fully consolidated financial statement information for Hanzevast Capital N.V. and its group companies in which Hanzevast Capital N.V. has majority control. The financial statements of the parent and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, income and expenses. Unrealised intercompany results included in inventories at balance sheet date, resulting from intercompany transactions and intercompany balances, have been eliminated. Retained profits of group companies which cannot be distributed without restriction, have been added to the legal reserve.

The consolidated accounts comprise the financial statements of:

Hanzevast Capital N.V.

Hanzevast Real Estate Holland II B.V., Hilversum (100%)

Hanzevast Real Estate Holland II C.V., Hilversum (100%)

Stone Hedge B.V., Hilversum (100 %)

Vastgoedfonds MPC Holland 52 B.V., Hilversum (100%)

Vastgoedfonds MPC Holland 55 B.V., Hilversum (100%)

Vastgoedfonds MPC Holland 58 B.V., Hilversum (100%)

Vastgoedfonds MPC Holland 61 B.V., Hilversum (100%)

MPC Private Equityfonds Global 8 B.V., Hilversum (100%)

The use of article 402 of Book 2 of the Netherlands Civil Code

The financial data of Hanzevast Capital N.V. are incorporated in the consolidated financial statements. Therefore the company profit and loss account, in accordance with article 402 of Book 2 of the Netherlands Civil Code, of Hanzevast Capital N.V., only discloses the amount of the income from participations in group and affiliated companies and the result from ordinary activities after taxation.

Accounting policies - assets and liabilities

Intangible fixed assets

Intangible fixed assets are stated at purchase price or manufacturing cost. Depreciation is calculated on a straight-line basis over the estimated useful life.

Purchased intellectual property, on acquisition stated at net-equity value, is carried forward in the balance sheet and amortised over the estimated useful life.

Tangible fixed assets

Tangible fixed assets are stated at acquisition cost less depreciation calculated on a straight-line basis over the estimated useful life.

Acquisitions during the year are written off from the date of acquisition.

Financial fixed assets

Associates in which Hanzevast Capital N.V. has significant influence are stated at Hanzevast Capital N.V. 's share in the underlying net-equity, determined using the same accounting principle as in the company's accounts.

An investment in an associate is accounted for using the cost method.

Securities are accounted for using the cost method.

Other financial fixed assets are stated after deduction of provisions for doubtful debts where appropriate.

Stocks

Work in progress at the year end is stated at cost, including profit based on the placed percentage of participations of the real estate and ship partnerships.

Receivables

Accounts receivable are shown after deduction of a provision for bad and doubtful debts where appropriate.

Cash and banks

Cash and bank balances are freely disposable, unless stated otherwise.

Provisions

The provision for deferred taxes relates to timing differences in accounting policy for recognising profit between the company accounts and the fiscal accounts. It is calculated on the basis of the applicable tax rate.

Other provisions are accounted for at estimated amounts due.

Current liabilities

The current liabilities have an expected duration of one year at the most.

Accounting policies - profit and loss account

General

Profit is determined as the difference between net sales and all expenses relating to the reporting period. Costs are determined in accordance with the accounting policies applied to the balance sheet.

Profit is realised in the year in which the sales are recognised, on basis of the percentage of completion method. Losses are taken upon recognition.

Other income and expenses are allocated to the periods to which they relate.

Depreciation fixed assets

Depreciation on fixed assets is calculated at fixed percentages of cost, based on the estimated useful life of the assets.

Financial income and expenses

Financial income and expenses relate to interest received or due from and paid or due to third parties and group companies.

Taxation

Taxation on profits is calculated on the reported pre-tax profit or loss, taking into account any losses carried forward from previous financial years, tax-exempt items and non-deductible expenses, and using current tax rates.

Income from associated companies

Income from associated companies comprises the company's share in the profits after tax of subsidiaries and associated companies.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2006
in euro's, before profit appropriation

ASSETS	31-12-2006	31-12-2005
Fixed assets		
Intangible fixed assets	0	422.793
Tangible fixed assets		
Other fixed assets	78.953	116.960
Financial fixed assets		
Investments in associated companies	316.517	407.550
Securities	552.927	564.272
Other financial assets	225.950	287.664
	-----	-----
	1.095.394	1.259.486
Current assets		
Stocks	425.147	0
Receivables		
Accounts receivable from associated companies	0	1.548.847
Accounts receivable from shareholders	39.400	0
Other accounts receivable	1.845.101	2.079.946
Securities	0	5.486.358
	-----	-----
	1.884.501	9.115.151
Cash and banks	4.147.819	5.247.948
	-----	-----
Total assets	7.631.814	16.162.338
	=====	=====

CONSOLIDATED PROFIT AND LOSS ACCOUNT 2006

in euro's

	2006	2005
Operating income	5.161.790	10.403.679
Wages and salaries	1.450.253	1.202.879
Social security premiums	200.251	159.634
Depreciation fixed assets	470.805	286.262
Other operating expenses	2.044.322	2.189.315
	-----	-----
Total operating expenses	4.165.631	3.838.090
	-----	-----
Operating profit	996.159	6.565.589
Income and expenses from financial fixed assets	0	67.439
Financial income	175.770	630.886
Financial expense	-137.319	-246.965
	-----	-----
Net financial income (expense)	38.451	451.360
	-----	-----
Income before taxes	1.034.610	7.016.949
Taxes on income	-222.797	-2.203.502
	-----	-----
	811.813	4.813.447
Income from associated companies	-142.776	343.222
	-----	-----
Result after taxes	669.037	5.156.669
	=====	=====

NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2006
in euro's

ASSETS

Fixed assets

Financial fixed assets

Investments in associated companies

Hanzevast Capital N.V. has interests in the following companies:

49,8% share Hanzevast Shipping B.V., Groningen.

Securities

The amount of EUR 552.927 is related to long term participations in several securities.

Based on the draft financial statements 2006 of one of the long term participations the intrinsic value of this participation amounts to € 333.448. Since the market value of the office buildings capitalized in the balance sheet of this participation is assumed to be higher than the book value, the cost of this participation of € 487.500 has not been written off to the lower intrinsic value of € 333.448.

Other financial assets

Hanzevast Capital N.V. has interests in the following companies:

100% share Stichting Bewaring MPC Omnifund, Groningen.

100% share Stichting Bewaring MPC Vastgoedfondsen, Groningen.

Receivables

The maturity of all receivables does not exceed 1 year.

EQUITY AND LIABILITIES

Group equity

The group equity is further specified in the notes to the company balance sheet.

Provisions

Deferred taxation

The provision for deferred taxation has been calculated on the timing differences in accounting policy for recognising profit between the company accounts and the fiscal accounts.

The provision is short term.

Other provision

In 2003 Hanzevast Capital N.V. has paid EUR 1.104.000 to about 55% of the participants of Ocean Warrior Film C.V. for surrendering their rights. For the other part of the participants and the estimated costs to be made, a provision has been accounted for.

Due to settlement with the participants in 2006, the provision has been released.

Off balance sheet liabilities

The company has on account of running rental agreements in Hilversum a yearly liability of EUR 145.000 and in Belgium of EUR 20.000.

The company has entered into several sponsoring contracts. The yearly payable sum amounts to approximately EUR 210.000.

The company has a bank guarantee of EUR 2.000.000 at the ABN AMRO Bank N.V. for guarantee to Münchener Hypothekenbank eG of the due and punctual fulfillment by Vastgoedmaatschap MPC Holland 45 C.V. of its obligations.

One of the subsidiaries has to cover for operating expenses of an American subsidiary through an asset management agreement.

Fiscal transparency

An American subsidiary is transparent for Dutch corporate income tax purposes. This means that the Dutch subsidiary which owns 100% of the American subsidiary has to account for her interest in the assets and liabilities and the profit and loss of the American subsidiary in its fiscal annual accounts. The share of the Dutch subsidiary in the result of Stone Hedge LP will be taxable as part of the total result of the Dutch subsidiary in the Netherlands. Under the United States/the Netherlands tax treaty the Dutch subsidiary may claim double taxation tax relief for the amount of Dutch corporate income tax attributable to its share in the American subsidiary result.

Fiscal unity

Hanzevast Capital N.V. and one of its subsidiaries form one entity for corporate income tax purposes and therefore are jointly and separately responsible for corporation income tax obligations.

Ultimate parent company

The ultimate parent company is Hanzevast Beheer B.V., having its registered office in Groningen. The annual accounts of Hanzevast Beheer B.V. are filed with the Chamber of Commerce of Groningen.

NOTES TO THE PROFIT AND LOSS ACCOUNT 2006

in euro's

Net sales

The net sales are decreased with 36% as compared with 2005.

Social security premiums

The social security premiums include pension premiums amounting to € 50.267 (2005: € 48.645).

Average number of employees

During the year under review, Hanzevast Capital N.V. employed on average 19 employees (2005:20). The average number of employees can be subdivided as follow:

	<i>2006</i>	<i>2005</i>
Sales	13	14
Indirect	6	6
	-----	-----
	19	20
	=====	=====

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2006

in euro's, before profit appropriation

ASSETS	31-12-2006	31-12-2005
Fixed assets		
Intangible fixed assets	0	422.793
Tangible fixed assets		
Other fixed assets	78.755	107.512
Financial fixed assets		
Investments in associated companies	2.317.366	3.444.869
Securities	65.427	76.772
Other financial assets	225.950	287.664
	-----	-----
	2.608.743	3.809.305
	-----	-----
	2.687.498	4.339.610
Current assets		
Stocks	425.147	0
Receivables		
Accounts receivable from associated companies	0	1.658.844
Accounts receivable from shareholders	39.400	0
Other accounts receivable	1.827.099	2.032.783
Securities	0	5.486.358
	-----	-----
	1.866.499	9.177.985
Cash and banks	3.977.431	5.162.189
	-----	-----
Total assets	8.956.575	18.679.784
	=====	=====

EQUITY AND LIABILITIES

31-12-2006

31-12-2005

Shareholders' equity

Share capital	1.312.500	1.312.500
Share premium	1.687.500	5.682.577
Legal reserve	307.552	53.322
General reserve	1.333.708	-3.568.984
Profit for the year	669.037	5.156.669

5.310.296

8.636.084

Provisions

Deferred taxation	91.822	0
Other provision	0	1.525.000

91.822

1.525.000

Current liabilities

Loan bank	0	1.500.000
Accounts payable to associated companies	1.400.506	3.108.211
Accounts payable to shareholders	0	1.400.000
Accrued expenses	923.912	824.911
Other	1.230.039	1.685.578

3.554.457

8.518.700

Total equity and liabilities

8.956.575
=====

18.679.784
=====

COMPANY PROFIT AND LOSS ACCOUNT 2006

in euro's

	<i>2006</i>	<i>2005</i>
Income from participations in group and affiliated companies	1.293.732	2.959.876
Result from ordinary activities after taxation	<u>-624.695</u>	<u>2.196.793</u>
Result after taxes	<u><u>669.037</u></u>	<u><u>5.156.669</u></u>

NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2006
in euro's

ASSETS

Fixed assets

Financial fixed assets

Investments in associated companies

Hanzevast Capital N.V. has interests in the following companies:

100% share Hanzevast Real Estate Holland II B.V., Hilversum.

49,8% share Hanzevast Shipping B.V., Groningen.

100% share Stone Hedge B.V., Hilversum.

100% share Vastgoedfonds MPC Holland 52 B.V., 100% share Vastgoedfonds MPC Holland 55 B.V., 100% share Vastgoedfonds MPC Holland 58 B.V. and 100% share Vastgoedfonds MPC Holland 61 B.V., Hilversum.

100% MPC Private Equityfonds Global 8 B.V., Hilversum.

Hanzevast Capital N.V. is partner of Hanzevast Real Estate Holland II C.V., having its registered office in Hilversum.

Securities

The amount of EUR 65.427 is related to long term participations in several securities.

Other financial assets

Hanzevast Capital N.V. has interests in the following companies:

100% share Stichting Bewaring MPC Omnifund, Groningen.

100% share Stichting Bewaring MPC Vastgoedfondsen, Groningen.

Receivables

The maturity of all receivables does not exceed 1 year.

EQUITY AND LIABILITIES

Shareholders' equity

	2006	2005
<u>Share capital</u>		
Issued capital	1.312.500	1.312.500
	=====	=====

The authorised capital of the company is divided into 100 priority shares with a par value of EUR 50 and 37.400 ordinary shares with a par value of EUR 50. 6 priority shares and 26.244 ordinary shares are issued. In 2006 no shares were issued.

Share premium

Capital paid in surplus as at 1 January	5.682.577	5.682.577
Paid dividends	-3.995.077	0
	-----	-----
Balance as at 31 December	1.687.500	5.682.577
	=====	=====

Legal reserve

Balance as at 1 January	53.322	7.902
Profit appropriation	-41.256	0
Profit appropriation prior year	345.263	45.420
Paid dividends	-49.777	0
	-----	-----
Balance as at 31 December	307.552	53.322
	=====	=====

Because of the fact that the profit of the subsidiary Hanzevast Shipping B.V. is not payable on demand, a legal reserve is retained for the share in the profit of this subsidiary. It is not allowed to distribute the legal reserve.

General reserve

Balance as at 1 January	1.242.421	821.016
Profit appropriation for the year	710.545	4.811.405
Paid (interim)dividends	0	-4.390.000
From legal reserve	49.777	0
	-----	-----
Balance as at 31 December	2.002.743	1.242.421
	=====	=====

Provisions

Deferred taxation

The provision for deferred taxation has been calculated on the timing differences in accounting policy for recognising profit between the company accounts and the fiscal accounts. The provision is short term.

Other provision

In 2003 Hanzevast Capital N.V. has paid EUR 1.104.000 to about 55% of the participants of Ocean Warrior Film C.V. for surrendering their rights. For the other part of the participants and the estimated costs to be made, a provision has been accounted for.

Due to settlement with the participants in 2006, the provision has been released.

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Hanzevast Capital N.V. and one of its subsidiaries form one entity for corporate income tax purposes and therefore are jointly and separately responsible for corporation income tax obligations.

NOTES TO THE PROFIT AND LOSS ACCOUNT 2006
in euro's

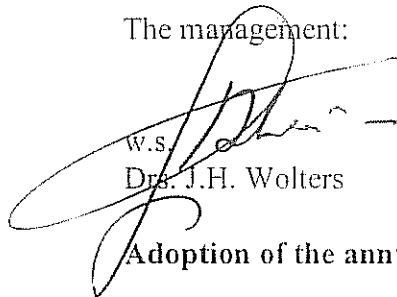
Average number of employees

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Indirect	6	6
	-----	-----
	19	20
	=====	=====

Hilversum, 15 May 2007

The management:


w.s.
Drs. J.H. Wolters


w.s.
Drs. W.J.R.J. Punte

Adoption of the annual accounts

The annual accounts have been adopted by the General Meeting of Shareholders at 23 May 2007.

OTHER INFORMATION

In accordance with article 394, paragraph 4, Book 2 of the Netherlands Civil Code some parts which are eligible are open for inspection at the office in Hilversum. On request a complete or partly copy is obtainable at cost price.

Proposed profit appropriation 2006

It is proposed that the General Meeting of Shareholders will distribute the profit as follows:

- the company profit and the income from associated companies exclusive the item mentioned below will be added to the general reserve;
- the income from associated companies not payable on demand will be deducted of the legal reserve.

Subsequent events

At 8 February 2007 Hanzevast Capital N.V. bought 50,2% of the shares of Hanzevast Shipping B.V. From that date Hanzevast Capital N.V. owns 100% of the shares.

To the Management of
Hanzevast capital nv
Utrechtseweg 47
1213 TL HILVERSUM

AUDITOR'S REPORT

This annual report meant for publication purposes with the Chamber of Commerce is, with the use of the facilities of article 402 of Book 2 of the Netherlands Civil Code, derived from the financial statements 2006 for which we have issued the following auditor's report.

Report on the financial statements

We have audited the accompanying (page 4 till 38) financial statements 2006 of Hanzevast Capital N.V., Hilversum, which comprise the consolidated and company balance sheet as at 31 December 2006, the consolidated and company profit and loss account for the year then ended and the notes.

Management's responsibility

Management of the company is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Netherlands Civil Code and the 'Wet toezicht beleggingsinstellingen 2005', and for the preparation of the management report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Hanzevast Capital N.V. as at 31 December 2006, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code and the 'Wet toezicht beleggingsinstellingen 2005'.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the management report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Amstelveen, 15 May 2007

BDO CampsObers Audit & Assurance B.V.