

This document is a translation of the original German version. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding

Schloss Hohenkammer GmbH
Schlossstr. 20, 85411 Hohenkammer

Balance sheet as at 31 December 2010

<u>Assets</u>	31.12.2010	31.12.2009	<u>Liabilities</u>	31.12.2010	31.12.2009
	€	€		€	€
<u>A. Fixed assets</u>			<u>A. Equity</u>		
I. Intangible assets	3,701.00	6,109.00	I. Issued capital	30,000.00	30,000.00
II. Property, plant and equipment	1,655,298.54	1,622,248.06	II. Capital reserves	2,880,300.00	2,880,300.00
III. Financial assets	64.54	64.54	III. Retained earnings	528,161.85	528,161.85
	<u>1,659,064.08</u>	<u>1,628,421.60</u>	IV. Profit/loss for the year	0.00	0.00
<u>B. Current assets</u>				<u>3,438,461.85</u>	<u>3,438,461.85</u>
Inventories	394,008.39	344,596.59	<u>B. Provisions</u>		
II. Receivables and other assets			1. Provisions for pensions and similar liabilities	89,778.00	82,230.00
1. Debtors	520,689.73	342,441.48	2. Other provisions	54,396.78	83,652.40
2. Receivables from affiliated companies	0.00	246,471.82		<u>144,174.78</u>	<u>165,882.40</u>
3. Other assets	33,807.14	62,296.96	<u>C. Liabilities</u>		
	<u>554,496.87</u>	<u>651,210.26</u>	1. Prepayments	70,512.89	40,245.80
III. Cash and bank deposits	1,532,890.83	1,116,130.02	2. Creditors	106,702.69	101,090.59
	<u>2,481,396.09</u>	<u>2,111,936.87</u>	3. Liabilities to affiliated companies	389,290.73	0.00
			4. Other liabilities	7,701.17	9,902.63
				<u>574,207.48</u>	<u>151,239.02</u>
<u>C. Accruals</u>	16,383.94	16,692.86	<u>D. Accruals</u>	0.00	1,468.06
Total assets	<u><u>4,156,844.11</u></u>	<u><u>3,757,051.33</u></u>	Total Liabilities	<u><u>4,156,844.11</u></u>	<u><u>3,757,051.33</u></u>

Hohenkammer, 5 February 2011

Leo Herrmann
 Director

This document is a translation of the original German version. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding

Schloss Hohenkammer
Schlossstr. 20, 85411 Hohenkammer

Income statement for the period
1 January to 31 December 2010

	2010	2009
	€	€
1. Sales revenues	7,152,373.22	6,152,414.02
2. Inventory changes	49,411.80	-43,930.19
3. Other operating income	826,344.31	667,885.87
4. Cost of materials	-2,757,488.73	-2,507,530.24
Gross profit	5,270,640.60	4,268,839.46
5. Personnel costs		
Wages and salaries	-1,700,544.21	-1,637,340.42
Social security contributions and pension and employee assistance costs of which pension costs €64,777.46 (previous year €51,073.58)	-379,623.82	-368,935.72
	-2,080,168.03	-2,006,276.14
6. Write-downs and depreciation of intangible assets and property, plant and equipment	-437,284.27	-483,541.24
7. Other operating expenses	-2,309,619.88	-2,051,998.22
8. Miscellaneous interest and similar income of which receivable from affiliated companies: €4,616.20 (previous year €15,978.35)	7,166.65	22,504.08
9. Income from participations	510.86	0.00
Operating result	451,245.93	-250,472.06
10. Extraordinary result	-3,145.00	0.00
11. Other taxes	-3,835.44	-3,242.88
12. Income/expense under profit and loss transfer agreement	-444,265.49	253,714.94
Profit/loss for the year	0.00	-0.00

This document is a translation of the original German version. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding

Schloss Hohenkammer GmbH

Financial statements as at 31 December 2010

Notes

I. General information

These financial statements for 2010 have been produced in accordance with the rules of the German Commercial Code and the relevant regulations in the German Limited Liability Companies Act. In some cases, we made use of the relaxation of requirements for small corporations under Section 288, para. 1 of the German Commercial Code. The Act to Modernise Accounting Law was applied in that the adjustments on current account resulting from the change in the German Commercial Code regulations were performed where appropriate by exercising options available. Accordingly, the previous year's figures have not been adjusted (Section 67, para. 8, sentence 2 of the Act Introducing the German Commercial Code).

II. Accounting policies

1. Accounts were maintained in accordance with the general principles of orderly bookkeeping and accounting. The nature-of-expense method was used for the profit and loss account.
2. **Intangible assets and property, plant and equipment**
 - a) Intangible assets acquired for a consideration have been recognised at acquisition cost and written down on a straight-line basis over their useful life.
 - b) Property, plant and equipment were recognised at acquisition cost. They have been depreciated on a straight-line basis, with the exception of assets in the course of construction, for which depreciation commences on completion.
 - c) Low-value items with an acquisition cost of up to €150.00 have been written off in full in the year of acquisition. Fixed assets with an acquisition cost exceeding €150.00 but not exceeding €1.000.00 are depreciated on a straight-line basis over five years.
3. The **financial asset** is a silent participation. It was valued at acquisition cost plus reinvested profits.
4. The **inventories** were valued at selling price less an appropriate safety margin, cost or market price if lower.
5. All **receivables and other assets were** recognised at face value, with the exception of the corporation tax credit under Section 37, para. 1 of the German Corporate Tax Act, which was discounted using an internal rate of return of 5.5%. No provisions or write-downs were required.
6. **Cash held and deposits at banks** were recognised at face value.
7. **Accruals** were recognised at face value.
8. The provisions were created to cover uncertain liabilities.
The **pension provisions** corresponded to the liability pursuant to the German Commercial Code (Act to Modernise Accounting Law) calculated in accordance with actuarial principles applying Prof. Dr. Klaus Heubeck's 2005G guidance tables.
The **provisions for semi-retirement** were discounted at the average market rate corresponding to the term and set off against the associated retirement plan assets (company pension scheme) in accordance with Section 246, para. 2, sentence 2 of the German Commercial Code.
The **other provisions** corresponded to the expected amount payable based on reasonable and prudent commercial judgement.
9. All **liabilities were** accounted for at the amount payable.

III. Notes to the balance sheet

Assets

A. Fixed assets

The development of fixed assets is shown in the fixed-asset table below.

This document is a translation of the original German version. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding

	Acquisition cost 1.01.2010 €000	Additions €000	Disposals €000	Acquisition cost 31.12.2010 €000	Accumulated depreciation 1.01.2010 €000	2010 depreciation €000	Accumulated depreciation 31.12.2010 €000	Carrying amount 2010 €000	Carrying amount 2009 €000
<u>Intangible assets</u>									
IT software purchased	59.8	1.2	0.0	61.0	53.7	3.6	57.3	3.7	6.1
	59.8	1.2	0.0	61.0	53.7	3.6	57.3	3.7	6.1
<u>Property, plant and equipment</u>									
-									
Buildings on land not owned by the Company	11.5	121.8	0.0	133.3	8.6	3.1	11.7	121.6	2.8
Machinery	1,866.4	117.3	4.0	1,979.7	1,364.2	106.0	1,470.2	509.5	501.8
IT hardware	129.3	8.0	1.7	135.6	100.9	15.3	116.2	19.4	26.7
Operating and office equipment	2,181.9	86.6	0.0	2,268.5	1,227.6	222.3	1,449.9	818.6	954.4
Low-value items depreciated over 5 years	219.6	13.7	0.0	233.3	83.1	46.6	129.7	103.6	136.5
Low-value items	548.4	40.3	0.0	588.7	548.4	40.3	588.7	0.0	0.0
Assets in the course of construction	0.0	82.6	0.0	82.6	0.0	0.0	0.0	82.6	0.0
	4,957.1	470.3	5.7	5,421.7	3,332.8	433.6	3,766.4	1,655.3	1,622.2
<u>Financial assets</u>									
Silent participation	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1
	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1
	5,017.0	471.5	5.7	5,482.8	3,386.5	437.2	3,823.7	1,659.1	1,628.4

This document is a translation of the original German version. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding

B. Current assets

I. Inventories

This item comprised essentially agricultural products, distillates, slurry, fuel and drinks.

II. Receivables and other assets

All receivables and other assets with the exception of the corporation tax credit under Section 37, para. 1 of the German Corporate Tax Act (€16,137.83 after discounting) had terms of less than one year.

III. Deposits at banks

The banks at which deposits were held are Bayerische HypoVereinsbank AG, Munich, and Freisinger Bank eG, Hohenkammer.

C. Accruals (assets)

These essentially comprised accrued lease payments for agricultural land.

Liabilities

A. Equity

I. Issued capital

31.12.2010: €30,000.00

The issued share capital continued to be held by the sole shareholder, Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München.

II. Capital reserves

The capital reserve of €2,880,300.00 represents a contribution in kind by Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München. It was unchanged from the previous year.

III. Retained earnings

Other revenue reserves

The other revenue reserves were unchanged from 31 December 2009.

B. Provisions

The provisions for pensions and similar liabilities comprise pension provisions and provisions for obligations under semi-retirement agreements.

The pension provisions corresponded to the liability pursuant to the German Commercial Code (Act to Modernise Accounting Law) calculated in accordance with actuarial principles and based on an actuarial interest rate of 5.17%. Prof. Dr. Klaus Heubeck's 2005G guidance tables were used for the calculation.

As at 31 December 2010, there was a deficit of €44,024, use having been made of the option under Article 67, para. 1. The increase resulting from the first-time application of the rules in the Act to Modernise Accounting Law in the amount of 1/15 of €47,169.00 was posted as an extraordinary expense.

The provisions for semi-retirement were discounted at the average market rate corresponding to the term and set off against the associated retirement plan assets (company pension scheme) in accordance with Section 246, para. 2, sentence 2 of the German Commercial Code in the amount of €73,761.57. The fair value of the plan assets and the amount of the liabilities set off were also €73,761.57 as at 31 December 2010.

The other provisions essentially relate to personnel costs and the cost of producing the annual financial statements and having them audited.

C. Liabilities

All liabilities have a term of less than one year. The prepayments received represented advance payments for events scheduled to take place in January 2011. The liabilities to affiliated companies included €378.6K owed to Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München and €7.8K owed to ERGO Versicherungsgruppe AG in Düsseldorf.

IV. Other information

This document is a translation of the original German version. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding

Number of employees

In 2010, the Company employed an average of 73 persons (previous year 68) excluding the director. The increase was essentially due to the employment of new staff in training and two additional cleaners.

Director

The Company's director is Leo Hermann, Dipl.-Forstwirt (forestry engineer), Hohenkammer.

Contingent liabilities and other financial commitments

There were no liabilities or commitments within the meaning of Sections 251 and 285, item 3a of the German Commercial Code that are not shown in the annual financial statements.

Corporate agreements

A profit-transfer agreement is in place between Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München and Schloss Hohenkammer GmbH.

Consolidated financial statements

The Company's parent company within the meaning of Section 271, para. 2 of the German Commercial Code is Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München. The consolidated financial statements are published in the Electronic Federal Gazette.

Due to its minor significance for the Group's assets, liabilities, financial position and results, Schloss Hohenkammer GmbH, Hohenkammer, is not included in the consolidated financial statements of Münchener Rückversicherungs-Gesellschaft, Aktiengesellschaft in München.

5 February 2011

Leo Hermann
Director