



Annual Report 2006

bmp

OVERVIEW

	2006	2005	2004	2003*	2002*
Turnover € ,000	10,891	2,121	401	440	7,891
Net surplus/loss for the year € ,000	3,173	2,186	88	2,151	-11,767
EBIT € ,000	3,546	2,541	738	3,742	-10,840
Results/Share €	0.18	0.12	0.01	0.18	-0.22
Balance sheet total € ,000	31,462	33,259	32,944	25,358	35,161
Equity capital € ,000	22,002	18,829	16,938	6,018	2,084
Portfolio volume (IFRS-book value)** € ,000	20,702	23,391	13,605	12,285	17,327
Number of direct investments	23	23	24	27	31
Assets under management	72,240	45,826	34,895	41,200	50,813
Employees at the end of the year (FTE)	13	12	12	16	15
Number of outstanding shares in million	17.50	17.50	17.50	11.93	54.25

* according to HGB

** equity investments only

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Mission Statement

bmp is an international Asset Management Company in the Private Equity sector. We invest our own assets as well as our clients' funds in the Private Equity investment category. These investments are made either directly in companies or indirectly in funds of the entire Private Equity investment spectrum.

Our goal is the achievement of a higher than average return for our institutional as well as our private clients and thus for our shareholders as well.

Ralph Günther

Oliver Borrmann

Andreas van Bon



Dear shareholders, friends and business partners,

Strategically, 2006 is very likely to have been one of the most significant years for bmp AG. Together with the Supervisory Board, we have paved the future pathway for bmp AG.

But for now, let us take a step back in time: At the end of 2004, we decided to develop our private equity advisory business segment in addition to our venture capital business. The background to this decision was the realization that we wanted to develop a business field that generates continuous and long-term assessable income flows to accompany the very volatile venture capital business. Having been actively engaged in the private equity sector for ten years, it was in our best interests to apply our expertise and network in the industry to enable both institutional and private investors to gain access to the private equity asset category. The success that we achieved in the development of this business area since then has clearly confirmed the wisdom of our decision. In 2006, the second year of business activity, the assets under management (AUM) in this area have already clearly surpassed the assets under management in the direct investment business.

However, this development has made our positioning as a company listed on the stock exchange even more complex. If it was

difficult before for the investor to make a rational evaluation of bmp AG, with more than 20 holdings in innovative, high growth enterprises in a very wide diversity of businesses, both nationally and abroad, the evaluation has now become even more difficult due to the new business sector.

Plus, we have decided to develop the venture capital business segment. We shall continue to focus our activity on our two home markets, Germany and Poland; however, we shall narrow our industry focus. For a clear development of this business segment, we need an expansive financial leeway, a need which is covered today primarily by sales of holdings from our existing portfolio.

bmp AG is becoming a Private Equity Asset Manager

In 2006, we made two strategically important decisions: (1) We are positioning bmp AG as a transparent private equity manager listed on the stock exchange. (2) We shall obtain the necessary capital for developing our direct investment business without diluting our shareholders by capital increases.

Let us explain these decisions and above all their consequences for bmp AG and its shareholders. A private equity asset mana-

ger manages funds and advises investors in the private equity asset category. Its business model is based primarily on the receipt of a management fee and a carried interest for the assets under management that it manages. The value driver in this business resides primarily in the volume of assets under management.

What are the concrete implications of all of this for bmp AG?

Development will continue in the private equity advisory business segment without, however, resulting in changes in its orientation. We are already acting in this regard as an asset manager that is generally compensated with a management fee and a carried interest from the assets under management.

The direct investments business segment, however, is turning out differently today than we had imagined it would in the medium term. At the moment, the majority of the assets under management are still bmp AG's own resources, which are not compensated with a management fee.

How do we plan to achieve the step from venture capital investor with our own resources to an asset manager that primarily manages third party funds and receives management fees?

To this end, we have already undertaken the following decisive measures in 2006:

1). In December of 2006, we founded a subsidiary company, bmp Media Investors AG & Co. KGaA. The manager of this subsidiary company is bmp Beteiligungsmanagement AG, which is also 100% owned by bmp AG. After approval by the regular General Assembly of bmp AG on 19 June 2007, our goal is to place bmp AG's German and Polish holdings in the media, entertainment, and marketing services areas into this company. In the future, new investments

in these industries shall be implemented directly via bmp Media Investors.

We plan to list bmp Media Investors on the stock exchange. By doing so, we should acquire the necessary capital for further expansion in the direct investments area.

bmp will receive a management fee for the fund management of bmp Media Investors and have long term share in the success of the enterprise as a minority shareholder.

2). In the medium term bmp AG's remaining investment portfolio will be sold. This can be achieved by sales of holdings, and in the coming years we may list another subsidiary company with another thematic focus on the stock exchange. Anyone who has followed the news from our portfolio in recent months should be able to affirm that we have been making increasing use of the positive sentiment on the capital markets for exits. In the first quarter of 2007, we reduced our holdings from 23 to 17 companies.

In the coming years, we will continue to count on very good earnings from the sale of our existing investment portfolio. Then, our earnings will be supplied from three sources: Management fees and carried interest, both of which are based on the assets under management, as well as the value development of our investments in funds listed on the stock exchange. As a clearly positioned private equity asset manager, bmp AG will then be considerably easier to evaluate.

From this comprehensive, strategic new positioning, we expect to have established a business model which is both sustainable and profitable, and which above all else will be measured by the volume of assets under management. Net asset value (NAV), which as an indicator primarily reflects the value of venture capital holdings, thus no longer has much meaning for the ove-

rall assessment of bmp AG.

Through the stabilization and continuous growth of future income flows, we are expecting a sustainable increase in the shareholder value which will permit our shareholders to participate fully in our success through dividends.

Along with the solution of these comprehensive, strategic tasks, naturally we have also been working operationally in 2006, and doing so successfully.

We were able to increase the assets under management in the private equity advisory area by almost 300% from €10.6 million at the end of 2005 to €41 million in 2006. We are expecting a similar high dynamic growth for 2007.

We were able to list three companies from our portfolio successfully on the stock exchange: YOC AG and Heliocentris Fuel Cells AG in the Entry Standard of the German stock exchange, and Bankier.pl S.A. on the Polish stock exchange. All three companies listed above their issue price at the end of the year. In the scope of a reallocation with the initial public offering, we reduced the stakes in YOC AG and Bankier.pl S.A. considerably.

With the sale of our eprofessional GmbH holding to Zanox.de AG, we achieved a highly successful trade sale in 2006. And with the two Polish companies Nokaut Sp. z o.o. and Internet Service S.A., as well as the German nugg.ad AG, we succeeded in making three attractive new investments in the media, entertainment

and marketing services sector.

We were able to close the overall year 2006 with turnover of €10.9 million, with a net income of €3.2 million for the year, which corresponded to a 45% increase compared with the previous year.

The 2007 business year got off to a very dynamic start for bmp. We were able to sell our holdings in workXL AG, Tom's Guides Publishing AG, ACR S.A., and Internet Service S.A., and we also sold our stock exchange listed holdings in Jerini AG and Bankier.pl S.A. over the capital market. We were also able to profitably reallocate around half of our shareholding in TFG Capital AG, in which we could not implement our intended strategic goals. By the first quarter of 2007, we were also able to successfully conclude the CEEV fund that we managed for the DEG. And last but not least, our assets under management in the private equity advisory sector once again showed dynamic growth.

Thanks to these successes in the first quarter and the favorable development in our investment portfolio, we are expecting further increasing profits in the bmp group for 2007. In anticipation of the successful conclusion of our restructuring of bmp AG into a private equity asset manager in the course of 2006, we are already contemplating the payment of a dividend for the 2007 business year for the first time.

We thank you for putting your trust in us, and with you we anticipate a dynamic and successful 2007 business year.



Oliver Borrman



Andreas van Bon



Ralph Günther

bmp AG: An internationally operating company in the private equity industry

bmp is a private equity asset manager that focuses on two business segments:

(1) In the direct investments area, bmp invests in the financing of innovative, rapid growth companies, primarily in Germany and Poland, and manages the respective investment portfolios at its own or third party expense.

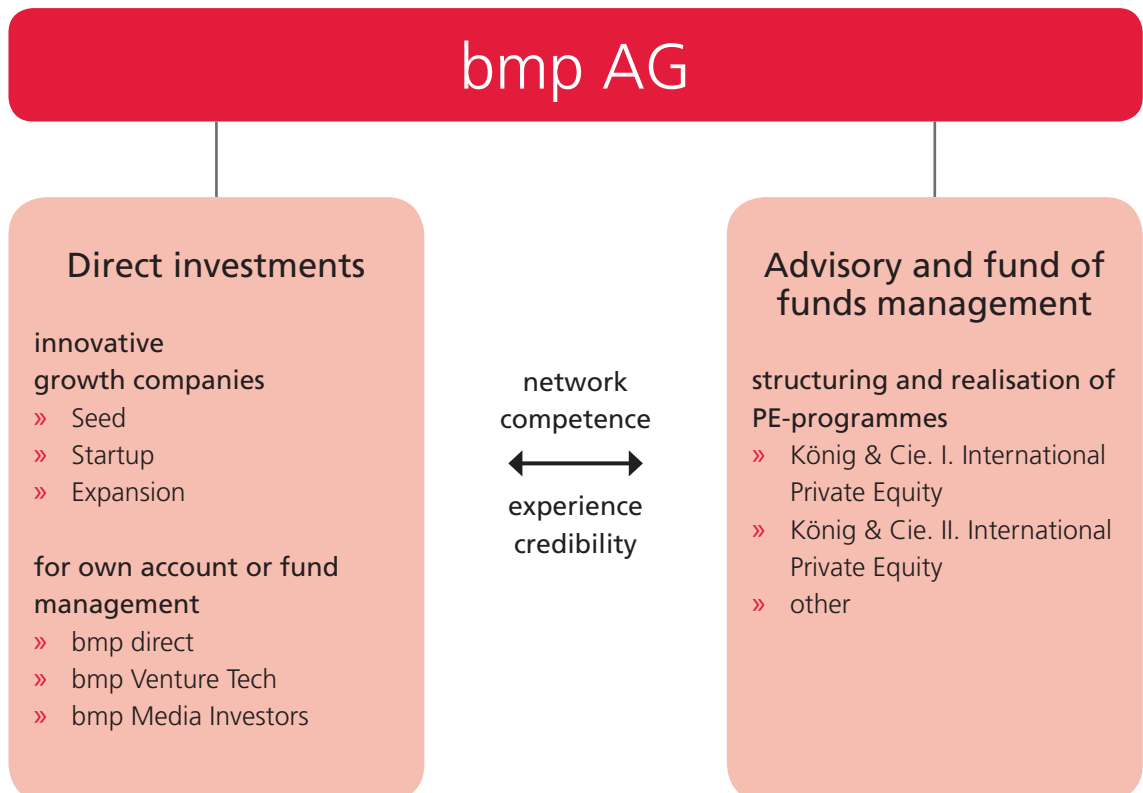
(2) In the private equity advisory and fund of funds management area, bmp designs and creates private equity programs for private and institutional investors.

bmp's revenue model is based on capital gains from divestitures of its own portfolio as well as management fees and commissions (carried interest).

Until now, the value driver for bmp has primarily

been net asset value (NAV). This NAV is important for evaluating the investment portfolio that is kept at one's own expense. On the basis of the individual investment, it enables a transparent portfolio management from the entry into an investment to the divestiture thereof.

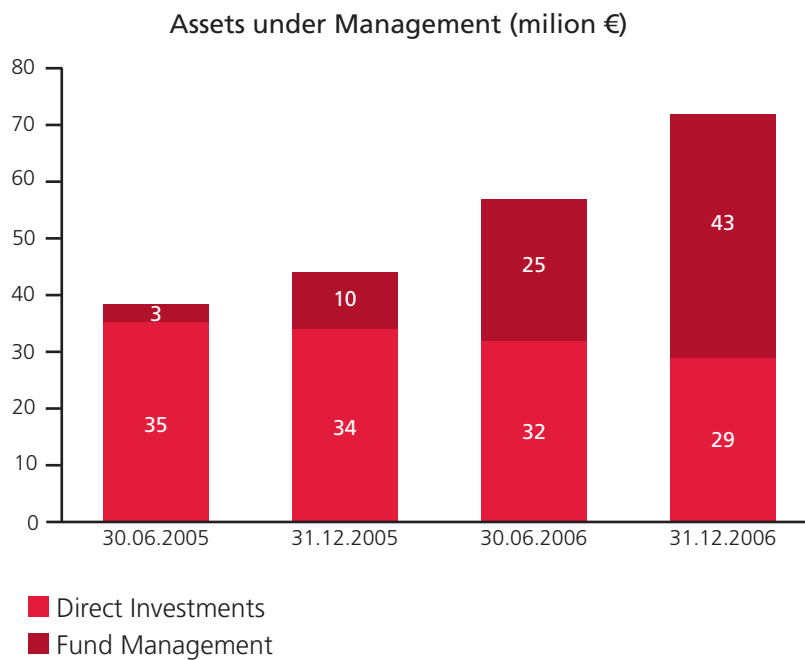
Through the strategic decision in favor of the midterm positioning of bmp as a private equity asset manager, the NAV has become less important for the overall assessment of bmp AG; nevertheless, it still has relevance internally as a control instrument for the direct investment portfolio being managed in each case. Henceforth, the most important overall value drivers for bmp shall be the assets under management (AUM), which are generally compensated with a management fee and a share in profits. This permits a quite clear calculation and discounting of future cashflows, thus making it assessable.



The following chart shows the overall development of the bmp AG's assets under management.

Both business segments benefit from strong synergistic effects. This is because on one hand

they are founded on the existing expertise and infrastructure and on the other hand they make additional investments in the network of private equity companies, banks, and consultants that is so important in the private industry sector.



1. Direct investments

Today, bmp invests mainly in new, innovative, rapid growth enterprises. This emphasis may be summarized under the term venture capital. Venture capital (risk capital) is a subsector of the private equity asset class. Venture capital is based on taking high risks to earn a rate of return that exceeds the average rate of return on the capital market. By investing in early stage companies, a venture capital company takes a relatively high risk that an investment will fail and that the funds invested will be lost. On the

other hand, there is the possibility of multiplying the invested capital if the development of the enterprise is successful.

bmp achieves this goal in the following ways:

- » High growth enterprises in high potential technology and service sectors are identified,
- » investments are made in these companies under favorable conditions, and
- » bmp supports these companies in building and expanding their respective businesses, as well as in the midterm achievement of an attractive company valuation in an exit.

bmp acquires the holdings either at its own expense or in the scope of fund management. The holdings are generally kept from three to seven years. Profits are earned primarily from the sale of the companies through trade sales or on the capital market. If bmp keeps these holdings at its own expense and at its own risk, it is then entitled to these profits. If the holdings are kept in a funds management, then bmp earns profits from management fees and possible share of profits.

Investment Strategy

The investment strategy is subdivided among the four dimensions of geography, company stage, industry, and style. The following allocation policy applies to bmp:

- » Geography: Germany and Poland
- » Company stage: Seed, startup, and expansion
- » Industry focus: Media, entertainment, marketing services, renewable energy, clean technology, internet & e-commerce, as well as healthcare
- » Style: Predominantly minority equity investments, silent partnership if required.

bmp chose this investment strategy for the following reasons:

- » Geographic proximity to the enterprises is absolutely critical for holdings in the early stage. bmp is represented by its own teams in Germany and Poland. In both of these countries, bmp is able to show a strong deal flow to new projects, is familiar with the legal structures, and has access to the relevant networks.
- » bmp's strength lies in the active business development of the holdings. This is especially necessary in the early stage, and it is possible because the venture capital investor often possesses a quite high stake. However, control over the company is not being executed.
- » An industry mix is provided with investments

in order to avoid the risks associated with any one industry. At the same time, however, it is necessary to develop industries of emphasis so that synergies among the individual holdings can be developed.

- » The profit from a venture capital investment is generally achieved through a higher company value in a sale. To this end, it is necessary to keep an equity investment in the company.

Investment management

Investment management is the process that ties up the most resources. From the time of entry into the holding onwards, bmp actively participates in the development of the enterprise. The essential focal points of investment management consist of

- » Acting as a sparring partner for management in the areas of strategy,
- » Active involvement in financing rounds and capital measures, as well as in other M&A activities of the enterprises.
- » Investment controlling by standardized methods and tools
- » Structure of corporate governance
- » Supplementation/reshuffling of the management level
- » Active involvement in company sale and IPO
- » Development of qualified network contacts

2. Private equity advisory and management of fund of funds

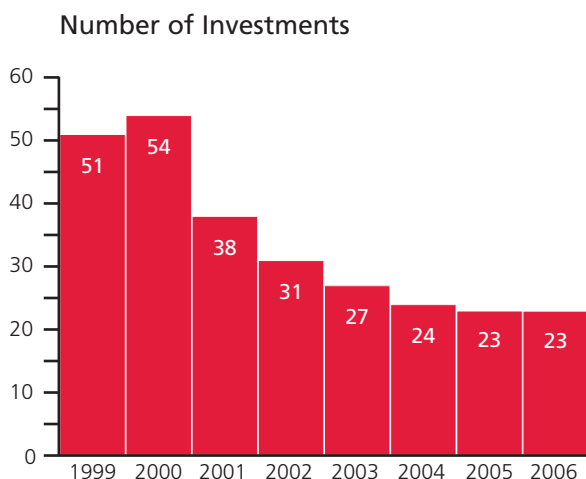
Private equity advisory refers to a consultation activity in allocating assets in the private equity funds category, predominantly on the part of institutional investors. The activity in this regard may comprise the examination, selection, and management of potential investments, and it can also include the structuring and management of fund products for the clients.

At the present time, German institutional investors are allocating a very small portion of the assets that they manage in the private equity funds category. One may assume that investments in this class of funds will increase considerably in coming years. This will also result in increased demand for private equity advisory services.

The revenue model generally comprises a one time structuring fee, compensation for ongoing management, and a success-based profit share.

The Investment Portfolio

By December 31, 2006, bnp held shares in 23 companies (previous year: 23). In 2006, the investments made in portfolio companies amounted to €3.2 million.



The classification of the holdings according to IFRS book values indicates a wide diversification of the portfolio. The predominant percentage of the holdings is in the expansion stage. The market trend of our five holdings listed on the stock exchange progressed favorably.

By December 31, 2006, investments in Germany accounted for 83.3% of the portfolio value. Measured according to the IFRS fair value, the ten largest holdings in the portfolio accounted for 85.4% of the portfolio value on the balance sheet date.

New investments included an investment in the Polish Nokaut Sp. z o.o. in the first quarter of 2006 and the investments in the Polish Internet Service S.A. and the nugg.ad AG predictive networks of Berlin in the fourth quarter of 2006.

Follow-up investments were composed of participation in capital rounds. The Revotar AG stake decreased from 59.96% to 49.99% henceforth due to a partial sale and the disproportionate

participation in a financing round. In the scope of a private placement, the Heliocentris Fuel Cells AG stake decreased from 37% to 33%.

In the reporting period, the entire eprofessional GmbH holding was sold. In addition, there were partial divestitures of the Revotar Biopharmaceuticals AG, Bankier.pl S.A., YOC AG, and Jerini AG holdings. Both of the holdings in the Gaifar GmbH and the Mobile Datenkommunikationslösungs AG, for which in each case a full provision for depreciation was made, were deleted from the accounts due to insolvency.

New investments in 2006:

- » Internet Service S.A.
- » Nokaut Sp. z o.o.
- » nugg.ad AG predictive networks

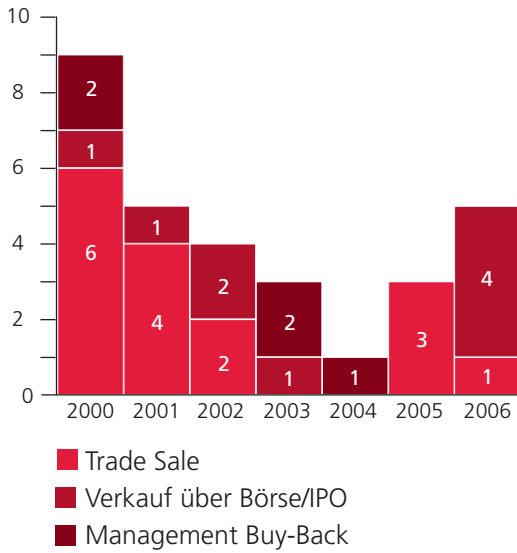
Follow-up investments in 2006:

- » ACR S.A.
- » European Telecommunication Holding E.T.H. AG
- » Gamigo AG
- » Heliocentris Fuel Cells AG
- » K2 Internet S.A.
- » Revotar Biopharmaceuticals AG

(Partial) exits from the portfolio in 2006:

- » Bankier.pl. S.A.
- » eprofessional GmbH
- » Gaifar GmbH
- » Jerini AG
- » Mobile Datenkommunikationslösungs AG
- » Revotar Biopharmaceuticals AG
- » YOC AG

Exits and IPOs



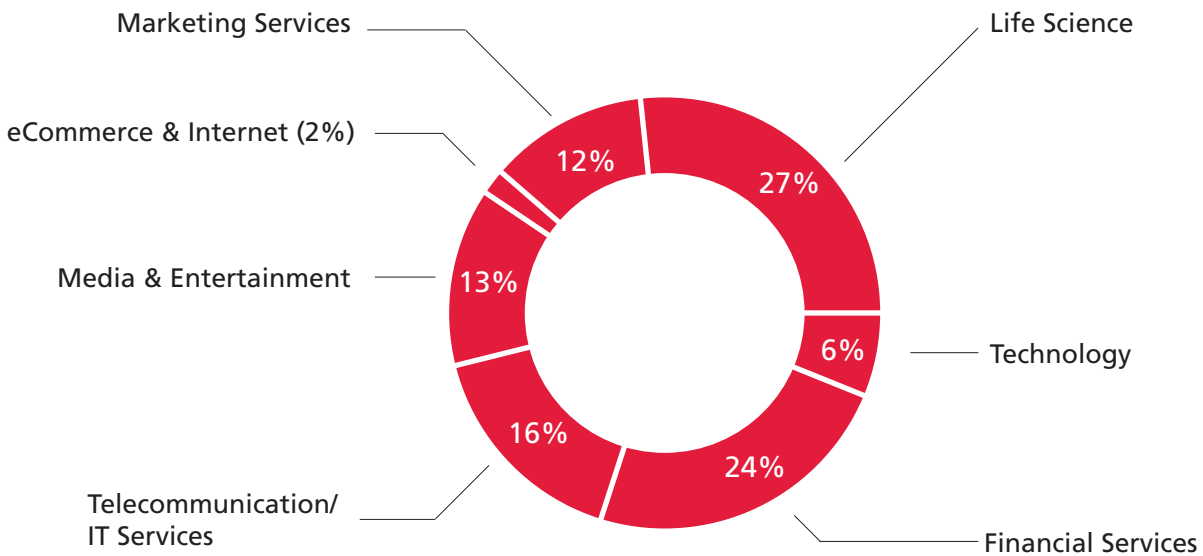
- » Internet Service S.A.: The holding was sold to the Bankier.pl S.A.
- » workXL AG: The bmp AG and the bmp Venture Tech GmbH sold the holding in the scope of a management buy-back.
- » Tom's Guides Publishing AG: The holding was sold to Best of Media S.A., Paris.
- » Jerini AG: The bmp AG sold its shares in the company.
- » ACR S.A.: The holding was sold to the K2 Internet S.A.

The following chart shows the breakdown by industry of the investment portfolio as of December 31, 2006 by book value according to IFRS. The portfolio is widely diversified over the industries that are relevant to us; the highest book value by percentage is in the Life Science sector.

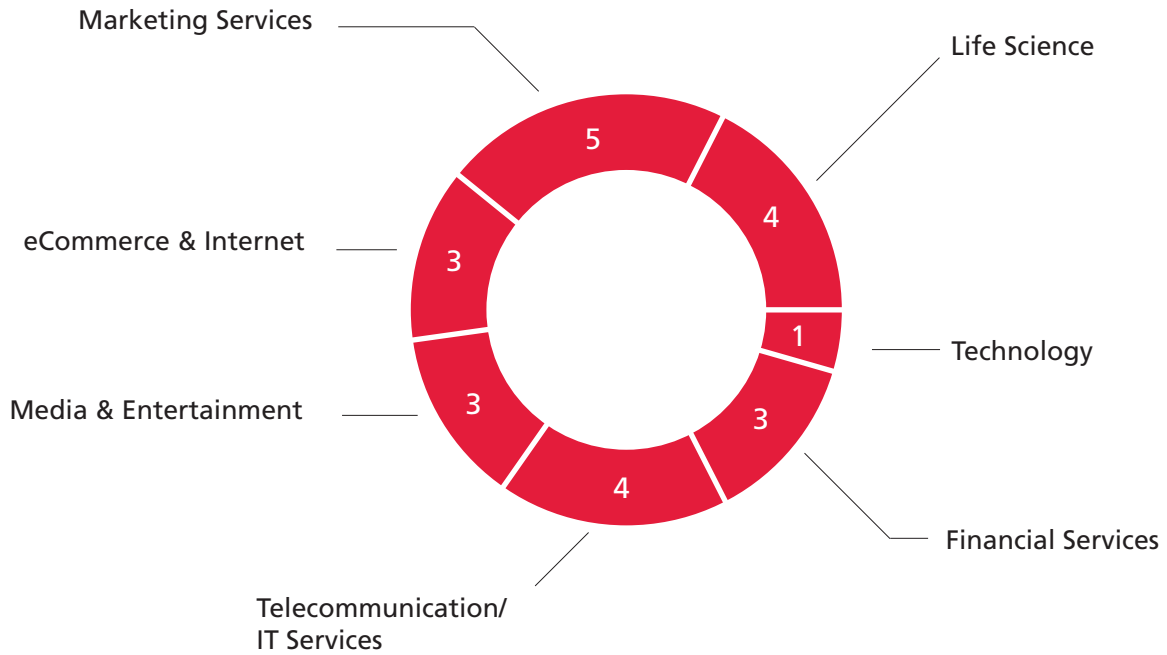
Exits from the portfolio after the report cutoff date:

- » Bankier.pl S.A.: The bmp AG sold its shares in the company.

Industry Share of IFRS Bookvalue as of 31 December 2006



Number of Investments by Industry



The Development of the Investment Portfolio

The volume of the investment portfolio is essentially influenced by three factors: Acquisition of new investments, company divestitures and changes in value. The changes in value are calculated each quarter in accordance with the IFRS rules for determining the fair value.

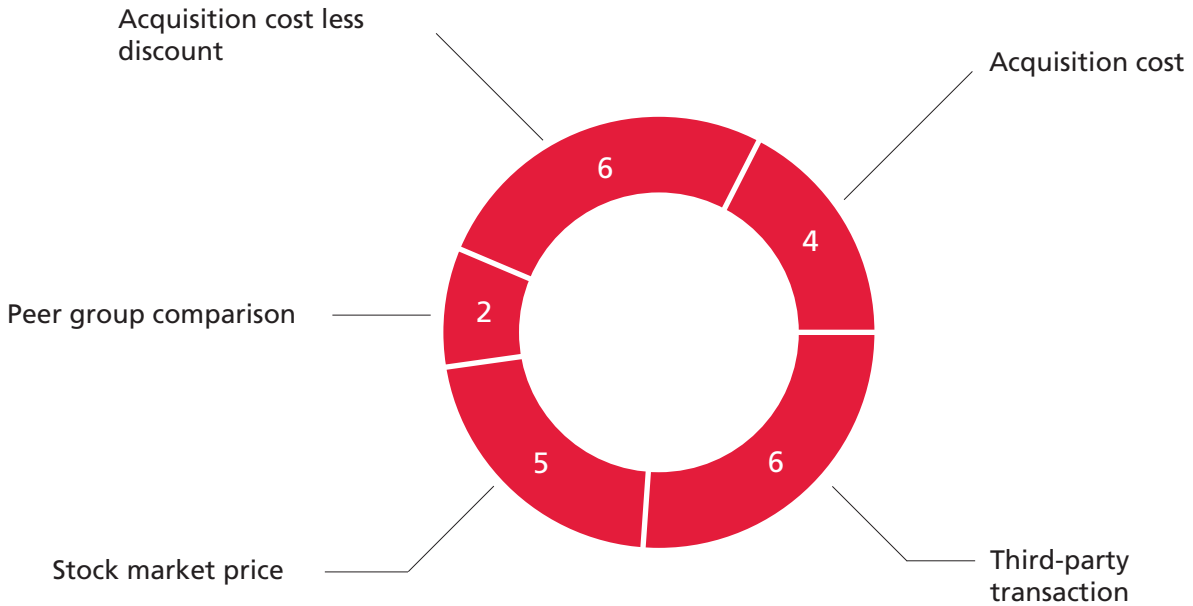
The revenues of all holdings could be increased by approximately 50% on the average in comparison to the previous year. We are figuring on similar growth rates for 2007.

The following chart shows the breakdown of the IFRS book values according to the valuation methods that were used to calculate the respective values. The largest share falls in the

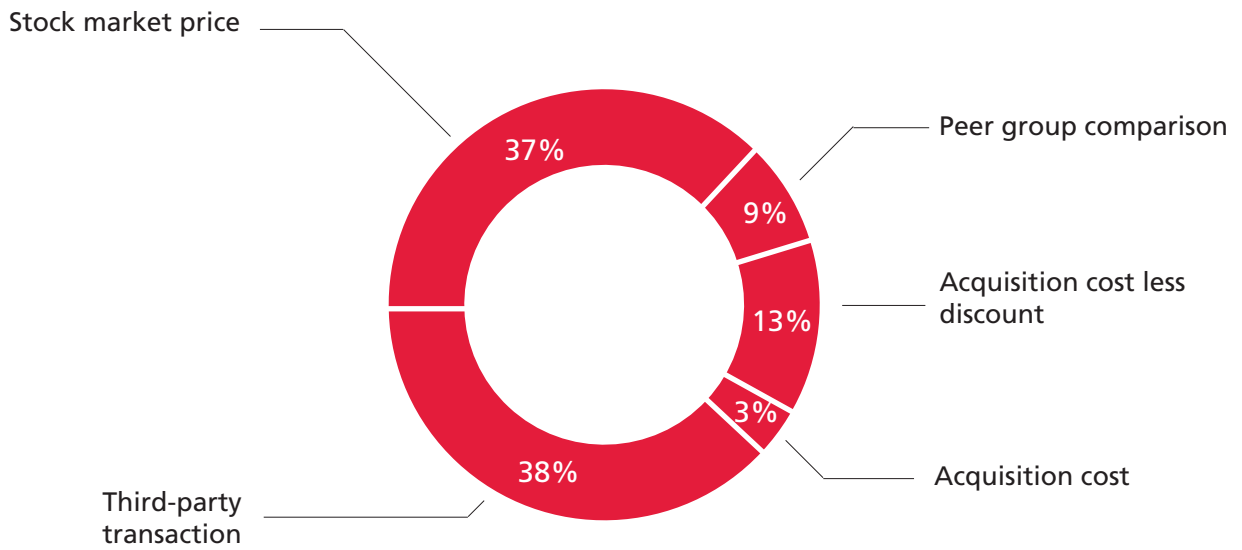
third party transactions sector (€7.9 million). The holdings that were sold after the reporting date and for which the value is determined by the transaction price available to us are included herein. The IFRS value of the five holdings listed on the stock exchange totals €7.6 million.

The lowest IFRS value falls to those holdings that were evaluated at the acquisition price. The fair value generally corresponds only to the costs of acquisition if the investment was only recently received, and if there were no substantial changes in the development of the company relative to the entry period.

Number of Investments by Valuation Method



IFRS Book Value by Valuation Method



Portfolio as at 31 December 2006

Name	Industry	Date of Entry	Share %	Stage	Volume million €
1 Revotar Biopharmaceuticals AG	Life Science	21.07.2000	49.99	Start-Up	> 2.5
2 ErgoTrade AG	Telecommunication/IT-Services	01.10.2000	49.99	Expansion	1-2.5
3 WorkXL AG*	eCommerce & Internet	09.06.2000	49.02	Expansion	1-2.5
4 Internet Service S.A.*	eCommerce & Internet	10.10.2006	46.95	Expansion	< 1
5 Newtron AG	Telecommunication/IT-Services	06.08.1999	35.61	Expansion	1-2.5
6 Heliocentris Fuel Cells AG	Technology	23.05.2006	32.76	Listed	1-2.5
7 gamigo AG	Media & Entertainment	29.11.2000	32.18	Expansion	1-2.5
8 Nokaut Sp. z o.o.	eCommerce & Internet	11.01.2006	31.65	Start-Up	< 1
9 K2 Internet S.A.	Marketing Services	08.06.2000	26.24	Expansion	< 1
10 eHedge AG	Financial Services	08.09.2000	25.40	Expansion	< 1
11 Tom's Guides Publishing AG*	Media & Entertainment	15.11.1999	20.00	Expansion	1-2.5
12 Shotgun Pictures GmbH	Media & Entertainment	24.09.2004	20.00	Expansion	< 1
13 nugg.ad AG predictive networks	Marketing Services	27.11.2006	17.53	Start-Up	< 1
14 Tembit Software GmbH	Telecommunication/IT-Services	10.06.1999	16.36	Expansion	< 1
15 TFG Capital AG	Financial Services	10.02.2005	12.74	Listed	> 2.5
16 ACR S.A.*	Marketing Services	20.12.2005	12.60	Expansion	< 1
17 Bankier.pl S.A.*	Financial Services	08.02.2001	8.58	Listed	< 1
18 Socratic Technologies, Inc.	Marketing Services	31.01.2003	6.00	Expansion	> 2.5
19 European Telecommunication Holding E.T.H. AG	Telecommunication/IT-Services	01.12.1998	2.30	Expansion	1-2.5
20 YOC AG	Marketing Services	18.12.2000	1.73	Listed	< 1
21 Salt of Life International AG	Life Science	17.05.2004	1.00	Expansion	< 1
22 Jerini AG*	Life Science	27.01.2000	0.12	Listed	< 1

* sold in the meantime

Overview of holdings in alphabetical order (active portfolio as at 31 March 2007)

(The number in parentheses after the company name is from the overview on page 16
Possible differences in stake between 31 December 2006 and 31 March 2007)

eHedge AG (10)

Mainzer Landstr. 23 a
D-60329 Frankfurt
www.ehedge.de

eHedge AG provides institutional investors with an independent and impartial online marketplace for hedge fund products and services. Depending on the type of transaction, eHedge generates one-time or regular revenue from this. In addition, eHedge designs and structures tailor-made hedge fund products for institutional customers.

- » bmp's stake: 25.40 %
- » in the bmp portfolio since: 09/2000

ErgoTrade AG (2)

Lilienthalstr. 8/A
D-85399 Hallbergmoos
www.ergotrade.info

ErgoTrade AG offers its customers a unique range of services from IT refurbishment and IT remarketing, via buying and selling of residual items and/or stock on hand, through to rolling out new IT goods. The company, which also operates a b2b online market place for IT manufacturers and dealers at www.xsellent.de, is thus a leading supplier in this sector.

- » Co-venturing partner: Venture Catalyst GmbH
- » bmp's stake: 49.99 %
- » in the bmp portfolio since: 10/2000

European Telecommunication Holding

E.T.H. AG (19)

Berner Straße 119
D-60437 Frankfurt
www.eth-ag.com

European Telecommunication Holding E.T.H. AG operates in the telecommunications market through two 100% subsidiaries: Alo Vatan Telefondienste GmbH offers pre-selection fixed network telephone services to private and corporate customers of Turkish origin; as a carrier, Millenicom GmbH particularly markets telephone circuits to Turkey. In this field, ETH ranks among the largest providers in Germany.

- » Co-venturing partner, Cukorova Investment N.V., Berlin Capital Funds, Arché Finanz GmbH
- » bmp's stake: 2.30 %
- » in the bmp portfolio since: 12/1998

gamigo AG (7)

Butterstraße 13
D-48431 Rheine
www.gamigo.de

With www.gamigo.de, gamigo AG operates an online game portal. At this site, both experienced as well as occasional players regularly receive information and navigation indications concerning the world of games. gamigo enjoys three sources of revenue: online advertising, leasing of multi-player game servers as well as publishing and operation of Massively Multi-player Online Games (MMOG).

- » Co-venturing partner: Axel Springer Venture
- » bmp's stake: 45.30 %
- » in the bmp portfolio since: 11/2000

Heliocentris Fuel Cells AG (6)

Rudower Chaussee 5
D-12489 Berlin
www.heliocentris.com

heliocentris Energiesysteme GmbH develops and distributes fuel cell technology systems for education. Product solutions are offered for schooling as well as for technical training. Besides, heliocentris also provides promotional items and engineering services.

- » bmp's stake: 32.76 %
- » in the bmp portfolio since: 05/2006

K2 Internet S.A. (9)

al. Solidarności 74A
00-145 Warsaw
Poland
www.k2.pl

K2 Internet S.A. is one of Poland's leading online agencies. The company is specialized in providing strategic solutions in the area of e-marketing and e-commerce.

- » bmp's stake: 46.75 %
- » in the bmp portfolio since: 06/2000

Newtron AG (5)

Freiberger Straße 39
D-01067 Dresden
www.newtron.net

newtron offers comprehensive Supplier Relationship Management (SRM) solutions which cover the entire purchasing process. newtron supports its customers in the area of strategic purchasing providing consulting services as well as electronic purchasing systems. More than 120 purchasing companies and 10 industrial partners are already using the company's solutions which are offered as an ASP service. Over 55,000 product groups are covered by more

than 34,000 registered suppliers.

- » Co-venturing partner: holtzbrinck networXs AG
- » bmp's stake: 35.60 %
- » in the bmp portfolio since: 08/1999

Nokaut Sp. z o.o. (8)

ul. Tatrzańska 6B/6
81-328 Gdynia
Poland
www.nokaut.pl

Nokaut.pl operates a high-functionality price comparison service, offering its users product search and price comparison facilities covering online shops both in Poland and abroad, facilitating easier decision making for consumers. Offered alongside the hard data are independent evaluations of the products and shops included in the service. For participating shops, the service is an effective and flexible way to present their products.

- » Co-venturing partner: LM Inwestycje Sp. z o.o.
- » bmp's stake: 31.65 %
- » in the bmp portfolio since: 01/2006

nugg.ad AG predictive networks (13)

Rotherstraße 16
10245 Berlin
www.nuggad.de

nugg.ad operates a service providing personalised delivery of advertising. nugg.ad analyses user data and combines this with the results of user surveys by means of special algorithms. This allows each user to be sent advertising tailored to meet their interests, regardless of their current location. The results of this targeting are proven reductions in wastage for the advertisers, agents and marketers, as well as progressively more relevant and thus more accepted

advertising for consumers. nugg.ad works exclusively with models and pseudonyms and records no personal data, so that users' need for privacy and data protections are always fully met.

- » Co-venturing partner: IBB VC Fonds
- » bmp's stake: 17.53 %
- » in the bmp portfolio since: 11/2006

Revotar Biopharmaceuticals AG (1)

Neuendorfstr. 24a
D-16761 Hennigsdorf
www.revotar.de

Revotar Biopharmaceuticals AG develops and commercializes new, innovative drugs for the therapy of chronic inflammatory diseases such as asthma, chronic obstructive pulmonary disease, psoriasis or acute lung injury. Based on an innovative approach consisting of a pharmaceutical/ biotechnological business model, a platform technology as well as an innovative product, Revotar has developed a product pipeline of potential anti-inflammatory drugs which are in various stages of development.

- » Co-venturing partner: Deutsche Life Science GmbH, DKB Finance GmbH, ANZ MPET No. 1 & No.2
- » bmp's stake: 49.99 %
- » in the bmp portfolio since: 07/2000

Salt of Life International AG (21)

Haselstraße 1
CH-5401 Zofingen
Switzerland
www.mavena.ch

The company specialises in the development and marketing of salt-based skincare products, the majority of which are sold under the international brand Mavena, and heavy salt-based bathing technologies. The floating equipment „Freelaxx“ (www.freelaxx.com), developed for

and sold to hotels, spas and fitness clubs, is another product line of Salt of Life.

- » bmp's stake: 1.00 %
- » in the bmp portfolio since: 05/2004

Shotgun Pictures GmbH (12)

Friedrichstraße 23 a
D-70174 Stuttgart

Shotgun Pictures GmbH has developed an innovative financing strategy for low-budget film productions. Throughout four years, the company aims to select 10 feature films, produce them with top partners and then sell them at a profit. Shotgun will retain exploitation rights so that investors can achieve best possible returns.

- » Co-venturing partner: BANIF, Orange Pictures, mbg Baden-Württemberg
- » bmp's stake: 20.00 %
- » in the bmp portfolio since 09/2004

Socratic Technologies Inc. (18)

2505 Mariposa Street
San Francisco, CA 94110
USA
www.sotech.com

Socratic Technologies Inc. undertakes global, network-based market studies for major US and international enterprises. It also installs and operates internet-based market research panels and studies the user friendliness of online offerings. The company's core products are product marketing research, usability research, panel development and qualitative services.

- » bmp's stake: 6.00 %
- » in the bmp portfolio since 01/2003

Tembit Software GmbH (14)

Am Borsigturm 42
D-13507 Berlin
www.tembit.com

Tembit Software GmbH provides software solutions as well as IT consulting for the sectors of financial services and healthcare. The company particularly focuses on Internet and Intranet applications with which the company is able to develop user friendly and low-maintenance solutions in a timely and economical way.

- » Co-venturing partner: IBB Beteiligungsgesellschaft mbH
- » bmp's stake: 16.36 %
- » in the bmp portfolio since: 06/1999

vice providers on the one hand, and young, hip and lifestyle-oriented consumers on the other hand. The company offers its clients interactive solutions that integrate the mobile phone and the Internet into advertising campaigns. yoc adds response elements to classic advertising, practices permission-based dialogue marketing within its community, realizes sales- and on-pack promotions and thereby offers its customers a creative and effective added value for their marketing activities.

- » bmp's stake: 1.73 %
- » in the bmp portfolio since: 12/2000

TFG Capital AG Unternehmensbeteiligungsgesellschaft (15)

Mainstraße 16
45768 Marl
www.tfg.de

TFG Capital has been active on the German market for investment capital for many years. Having started as an early-stage investor, the Company grew to become an important venture capital provider in Germany. TFG concentrates on investments in small and medium-sized companies in expansion stages. In addition to investments in listed companies, TFG selectively focuses on investments in expansion candidates.

- » bmp's stake: 6.41 %
- » in the bmp portfolio since: 02/2005

YOC AG (20)

Karl-Liebknecht-Str. 1
D-10178 Berlin
www.yoc.de, www.yoc.ag

YOC positions itself as an interface between the consumer goods industry, wholesalers and ser-

bmp History

July 1992

Oliver Borrmann founds bmp Management Consultants GmbH in Berlin.

March 1995

First investment within the framework of "Consulting for Equity" and launch of the Venture Capital business.

June 1997

Founding of bmp Aktiengesellschaft as a Venture Capital company.

September 1998

Founding of bmp Venture Tech GmbH in Berlin as a parallel fund of KfW.

July 1999

Stock market listing of bmp AG, Amtlicher Handel (official trading), Frankfurt am Main / SMAX

February 2000

Founding of Central & Eastern Europe Venture GmbH (CEEV), a parallel fund of DEG – Deutsche Investitions -und Entwicklungsgesellschaft mbH.

June 2000

Roland Berger Strategy Consultants invests in bmp through a 10% capital increase.

October 2004

Decision to build up the Private Equity Advisory segment.

December 2004

First German company to have parallel listing on the Warsaw Stock Exchange. Listed on Prime Standard since 2005.

February 2005

Partnership with the issuance house König & Cie. in the area of Private Equity fund of funds for private investors.

December 2006

Founding of bmp Media Investors AG & Co. KGaA. In the future, new investments in the area of media, entertainment and marketing services shall be implemented directly via bmp Media Investors.

The bmp Share

The bmp stock started at a price of €2.18/share in the 2006 business year. After a high of €2.67 in May of 2006, the stock hit bottom for the year at the end of October of 2006 at €1.77. On December 31, 2006, the share listed at €2.42 and thus achieved a positive market performance of 11% in 2006.

In 2006, a total volume of €27.8 million worth of bmp stock were traded on the German stock exchanges. This corresponded to an average of almost 50,000 shares per day.

A total volume of approximately €16.6 million worth of shares were traded on the Warsaw Stock Exchange in 2006. This corresponds to more than a fourfold increase over the previous year's value. The reason for this increased interest was Bankier.pl S.A.'s successful initial public offering, along with increased investor relations activities.

In 2007, bmp stock showed a favorable development and by the end of March it had climbed by 24% to €2.99.

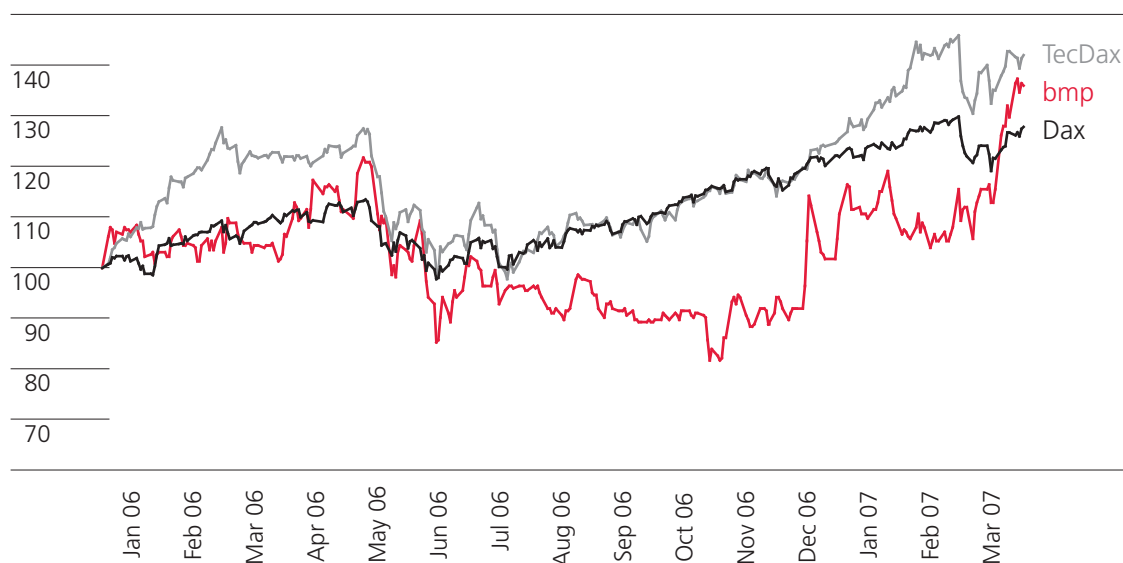
Shareholder structure

By December 31, 2006, 68.83% of the total volume of 17,500,000 shares were in free float. Oliver Borrmann held 14.81%, the Roland Berger Group 8.83% and 7.53% were held the Walther Group. Other shareholdings comprising at least 5% was not reported to us.

On the valuation date, a total of 14.93% of the stock was held by members of the Board of Directors.

ISIN	DE0003304200
WKN	330420
Bloomberg	BTBA
Reuters	BTBGk.DE
Market Segment	Prime Standard

bmp share price performance compared with Dax and TecDax (31.12.2005 - 31.03.2007)



bmp Aktiengesellschaft, Berlin, Group Management Report for the Financial Year 2006

The 2006 financial year went well for the bmp AG Group. We achieved a consolidated profit of €3.2 million. We were able to reduce our long term liabilities substantially by €5.1 million, down to €8.7 million. These liabilities were primarily from project refinancings with regard to the KfW. The equity ratio improved from 56.6% to 69.9%. As a consequence, the bmp Group today has a very sound balance sheet. It will continue to improve in 2007, because we are counting on further reductions in liabilities. The 2006 annual financial statement was prepared in accordance with IFRS.

However, the individual financial statement of bmp AG was prepared according to the rules of the German Commercial Code (HGB):

In the individual statement liquid funds amounted to € 3.3 million, financial assets amounted to €15.1 million. Equity capital amounted to €19.6 million, which corresponds with an equity ratio of 84%. Liabilities of €3.4 million consist of €3.2 million to KfW and include only project refinancings. Revenues amounted to €8.8 million, net profits to €3.7 million.

The liquidity situation likewise improved in the 2006 financial year. Cash and cash equivalents amounted to €5.8 million as of 31.12.2006, compared to €3.7 million on 31.12.2005 plus stock market listed securities of €7.6 million (previous year: €3.7 million).

With the substantial development of the Private Equity Advisory business segment in 2006 and a strategic realignment in the Direct Investments area, we decided to dispense with the disclosure of the net asset value (NAV) henceforth. This value primarily encompassed the value of bmp AG's direct investments and is thus no longer suitable as a value indicator for the Group with both the Direct Investments and Private Equity Advisory business segments.

In the future, the relevant question for us in-

stead will be: How many Assets under Management will we manage at our own expense and at third party expense? In the 2006 business year, we were able to raise this figure by 63% from €44.3 million to €72.2 million. We are counting on a similar dynamic growth for the current business year. Later on, we shall deal separately with the details of the strategic new positioning in the Direct Investments area.

We were successful in achieving all of our anticipated objectives for the 2006 financial year that we announced in the Annual Report for the 2005 financial year. We are confident that we can achieve a positive consolidated result again in the current 2007 financial year.

1. Market Development and Market Position:

The focus for bmp in the Direct Investments area is on the two markets of Germany and Poland, in which Germany is the most important market. According to the 2006 annual report of the German Private Equity and Venture Capital Association (Bundesverband Deutscher Kapitalbeteiligungsgesellschaften – BVK), the German private equity industry has continued to show positive development trends in the 2006 business year. In total, €3.6 billion were invested in 970 companies, representing an increase of around 20% in comparison with 2005. The venture capital investments in the direct investments sector relevant to bmp decreased from €1.3 billion to €1.0 billion in the course of the year. At the same time, however, the seed investments were able to accrue €31.2 million, which corresponds to an almost fivefold increase in comparison with the previous year. This level is still very low; nevertheless it is indicative of a readiness to consider very young projects for an investment.

The same scenario applies to the Polish market.

Here we are also counting on a stimulation of investment activity; meanwhile, the Warsaw Stock Exchange is proving to be a very capacious exit channel.

The German exit market also continues to remain healthy. A total volume of €2.1 billion in exits was achieved. The company valuations in the Venture Capital area went up slightly again this year, and the stock exchange exit channel continues to be capacious at the present time. The Board of Directors is anticipating a positive market environment for the Venture Capital sector in the course of 2007. This is supported by the still dynamic fundraising environment, and on this basis we assume that investments will increase in 2007.

In 2006, bmp AG was able to establish its market position as one of the leading German and Polish financiers of innovative, high growth enterprises, and we are confident with regard to the external framework for venture capital in Germany and Poland in 2007. The ratio of initial to follow-up investments has clearly been in favour of initial investments in recent years. We view this positively. Moreover, investment companies in general are similarly optimistic with regard to the future development of business, and this is also reflected in the business climate index published by FHP Private Equity Consultants. This index has reached its highest level since the fourth quarter of 2001.

The worldwide private equity market is relevant for bmp in terms of its Private Equity Advisory business area. Because an important part of bmp's work in this area focuses on the selection, valuation, and drafting of private equity funds in fundraising, the market environment in 2006 was very accommodating for us. On the one hand, the worldwide fundraising volume of private equity funds increased to over US\$400 billion and according to Private Equity Intelligence

data, it reached US\$432 billion. On the other hand, the demand for investment opportunities in private equity funds substantially increased on both the institutional as well as the private side. We are also anticipating a very dynamic market in this area in 2007, and consequently the international fundraising volume may once again exceed the record figures of 2006. The estimates for 2007 in this regard vary from US\$380 billion (Avida Advisors, Private Equity Info March 2007) to as much as US\$450 to US\$500 billion (Private Equity Intelligence).

The European market has also developed strongly: fundraising therein increased from the record level of €71.8 billion in 2005 to a new record of €89.8 billion in 2006 (evca press release March 13th, 2007). We are counting on a similar or even slightly higher level for 2007.

bmp operates out of the two locations of Berlin and Warsaw and it is actively involved in all of the associations relevant to the private equity business, such as the BVK (Bundesverband Deutscher Kapitalbeteiligungsgesellschaften - German Private Equity and Venture Capital Association), EVCA (European Private Equity & Venture Capital Association), and the PPEA (Polish Private Equity Association). We do not plan at this time to expand to other locations.

2. Business Development:

In the 2006 financial year, there were still no segment reports issued, as the Venture Capital Direct Investments area still accounted for the predominant fraction of sales activity and costs. Because of the dynamic development in the Private Equity Advisory business, however, we are planning to issue segment reports for the first time in the 2007 financial year.

Venture Capital Direct Investments

The existing shareholdings have shown a predominantly positive development in the 2006 business year. At the year's end, the investment portfolio amounted to an investment volume in acquisition costs of €29.5 million and comprised 23 companies. The shareholdings came primarily from Germany. bmp has active foreign shareholdings in Poland, Switzerland, and the USA.

In the present portfolio, bmp participated in financing rounds with Revotar Biopharmaceuticals AG and Heliocentris Fuel Cells AG. In addition, bmp extended a milestone-dependent loan to Shotgun Pictures GmbH and acquired shares in Gamigo AG from the present shareholders. Our YOC AG, Bankier.pl S.A., and Heliocentris Fuel Cell AG holdings were listed on the stock exchange. The eprofessional GmbH holding was sold to Zanox.de AG in the course of the year. In addition, shares of the portfolio companies Jerini AG, YOC AG, and Bankier.pl S.A. were sold pre-market or over the stock exchange. bmp still had shareholdings in all three of these companies at the end of 2006.

Meanwhile, three new holdings were acquired: Nugg.ad AG predictive networks of Berlin, as well as Internet Service S.A. and Nokaut Sp. z o.o. of Poland.

The total investments in the Venture Capital area amounted to 3.2 million in 2006. For 2007, we are pursuing the goal of making new investments while at the same time transacting other sales of shareholdings. Overall, we are expecting a continued, dynamic development of our shareholdings.

The single investor fund Central & Eastern Europe Venture GmbH (CEEV) was terminated prematurely in March of 2007, because there were only two holdings left in the remaining portfolio of that fund. The DEG recovered the money that they had invested in the CEEV and

was able to enter a small profit in its books. The single investor fund bmp Venture Tech GmbH could also have been prematurely terminated in 2007, because here too the remaining portfolio had clearly dwindled in recent months.

Our goal is the substantial development of the Direct Investments business segment. To this end, bmp AG founded a subsidiary company, bmp Media Investors AG & Co. KgaA in December 2006 with a share capital of €2 million. With the approval of the regular General Meeting of bmp AG on 19 June 2007, the German and Polish holdings in the media, entertainment, and marketing services sectors that are still not listed on the stock exchange are to be placed in this company. From now on, the plan is to make all new investments in these sectors through this subsidiary company. The goal is to list bmp Media Investors on the stock exchange at the end of 2007/beginning of 2008 and by doing so acquire the necessary capital to make new investments in greater volumes in this segment.

In addition to the receipt of management fees via a 100% subsidiary company, bmp Beteiligungsmanagement AG, a participation in the development of the portfolio as a long term minority shareholder of bmp Media Investors is planned.

This strategic decision will affect bmp AG in several ways. On the one hand, this step will enable bmp AG to increase the Assets under Management in the Direct Investment business sector considerably. On the other hand, bmp AG will receive a management fee via bmp Beteiligungsmanagement AG by performing management tasks for bmp Media Investors AG & Co. KgaA, which will secure a steady income in bmp AG. bmp shareholders will indeed indirectly suffer some dilution of their share of the individual holdings. However, they will also

achieve a substantially higher diversification through more new investments and will profit directly from the management fee received.

The long term goal for bmp AG is to have no more of its own direct investments on its books three to four years hence. Instead, they shall only participate indirectly in direct investments via subsidiary companies such as bmp Media Investors. We are assuming that by the end of 2007, we will hold less than ten holdings in innovative high growth enterprises directly through bmp AG, compared with the 23 direct investments in the portfolio at the end of 2006. The destiny of bmp AG becoming a pure Private Equity Asset Manager has thus been presaged.

Private Equity Advisory

In the Private Equity Advisory and Fund of Funds Management area, bmp is structuring and realizing private equity programs for institutional and private investors. In contrast to the Direct Investments business area, no direct investments will be made in companies here. Instead, institutional or private investors' money will be invested in national and foreign private equity funds, and bmp will act as an advisor or funds manager on behalf of the client.

In 2005, we acquired our first funds management mandate for the issuing house König & Cie. of Hamburg. As a result, the joint venture König & Cie. Private Equity AG was founded in the beginning of 2005. bmp has a 50% stake in this enterprise. In addition, the first joint fund of funds for private investors, the König & Cie. International Private Equity GmbH & Co. KG, was initiated and listed on the market. As a partner, bmp advises König & Cie. Private Equity AG in the selection and valuation of private equity funds. Management fees are charged by König & Cie. Private Equity AG.

By the March of 2007, they were able to under-

write 13 funds/investments with a total volume of ca. €53 million. In addition, the successor fund „König & Cie. II. International Private Equity GmbH & Co. KG“ was structured and founded in collaboration with König & Cie. This fund, which should make its market debut in the second quarter of 2007, has already underwritten five private equity funds with a total volume of around €17 million.

3. Organization and Employees:

The bmp core team has been working together for a good nine years, thus forming an excellent basis for the further development of the company. All of the important functions for the Venture Capital business, as well as for the Funds Management business, are filled with highly qualified personnel. The Board of Directors' scope of duties are allocated as follows: Overall strategy, the direct investments business area, as well as public and investor relations, are the responsibility of Oliver Borrmann, the Chairman of the Board of Directors. Ralph Günther is responsible for the Private Equity Advisory business area as well as for strategic partnerships. Andreas van Bon is responsible for finances, controlling, personnel, legal affairs, and IT. bmp AG employed an average of 15 employees in the business year, including two female employees on maternity leave. On the report date, there were 14 regular employees working for bmp AG, three of whom were part time.

4. Financial Situation:

Profit Situation

The bmp Group showed a consolidated net profit of €3.2 million according to IFRS for the 2006 financial year. In comparison with the previous year, the result increased by 45%, in which a consolidated net profit of €2.2 million was shown. The income from disposal of investments and securities amounted to €10.9 million,

in which the main portion came from the sale of eprofessional GmbH, YOC AG, and Bankier.pl S.A. shareholdings. These sales amounted to €2.1 million in the previous year. The income from consulting and commissions increased by ca. 50% to €0.24 million. The overall positive development of the investment portfolio resulted in profits of €2.6 million from revaluations. The main portion of this came from value adjustments in the Bankier.pl S.A. and YOC AG shareholdings.

Personnel expenses amounted to €1.4 million, which was ca. €0.2 million higher than in 2005. The reasons for the increase were mainly premium and royalty payments. The depreciation on financial assets and securities decreased from €1.8 to €1.2 million. By reducing the liabilities, we were easily able to reduce interest and similar expenses from €1.1 to €0.8 million. Return on equity amounted to 14.4%.

Asset and Capital Structure

The long term asset values of the Group comprise almost exclusively the investment holdings and loans or silent partnership extended to these companies. With €17.7 million, they comprise around 98% of the long term assets; the remainder comes mainly from associated companies and joint ventures. The long term assets dropped to €18.1 million, from €27.2 million in 2005. This is attributable mainly to the sales of holdings such as eprofessional, YOC, and Bankier, as well as reclassifications of long term investments in short term securities. In contrast, current assets distinctly increased by 118% from 6.0 million because of the aforementioned reclassifications, compared to €13.4 million. Cash at hand and cash at banks amounted to €5.8 million at the end of 2006 compared to €2.7 million on 31.12.2005. As per 31.12.2006 cash and cash equivalents amounted to €5.8 million (previous year: €3.7 million) plus stock market listed securities of €7.6 million. The balance

sheet total of the bmp Group was down slightly from €33.3 million to €31.5 million, according to IFRS. On the liabilities side, we were able to increase equity by 16.6% from €18.8 million to €22.0 million in comparison to the previous year. There was a considerable 36% reduction in long term liabilities from €13.6 million down to €8.7 million. KfW refinancing credits for investments accounted for €8.6 million of this. Short term liabilities remained at the level of the previous year.

Liquidity Development

As per 31.12.2006 cash and cash equivalents amounted to €5.8 million (previous year: €3.7 million) plus stock market listed securities of €7.6 million. This liquidity reflux came from the sale of the eprofessional GmbH shareholdings as well as from the sales of Bankier.pl S.A. and YOC AG stock in the scope of the respective initial public offerings. Among other things, the refluxes were used for the reduction of liabilities as well as for new investments.

5. Opportunities and risks of the future development, risk management:

Private Equity Advisory/Funds Management

In the Private Equity Advisory area, bmp at the present time is primarily dependent on a single client, the König & Cie. In order to reduce this risk, bmp is striving to build up additional clientele for the Private Equity Advisory business area.

The potential collection of ongoing management fees and success-dependent investment compensations offer opportunities.

Direct Investments

Venture capital is speculative or risk capital, and the goal in granting it is to acquire higher returns. At the same time, venture capital also entails a much greater risk potential in comparison with other forms of financing. Because

the enterprises in part neither earn profits nor can count on success when they implement a business idea at the time they make the investment, there are high risks for the company and the bmp Group. In principle, this risk increases significantly with increasing closeness to the founding of the enterprise.

Date of the relinquishment and achievable earnings from the relinquishment

At the present time, the predominant source of bmp AG's earnings is the sale of shareholdings to institutional or industrial investors (trade sales) or as initial public offerings. Additionally, some shareholdings are sold to founders or co-partners as management buybacks. These opportunities for disposal are also known as exit channels. The company cannot make any guarantee that the disposal of a shareholding will result in a specific return, or even in any return at all. It is precisely when capital markets are weak that it becomes more difficult to dispose of shareholdings, and this can lead to negative results for the bmp Group.

Insecurity of the commercial development of individual portfolio companies

Amortizations on holdings to total losses of holdings due to insolvency cannot be avoided, despite many years of business experience and intensive investment control, nor are they unusual, especially with financings in the early company phases. bmp AG counteracts the financial effects of a drop in value of investments through early support and countercontrol measures, through continuous improvement of due diligence and investment controlling, as well as appropriate provisions for risks (buildup of reserves, provisions for depreciation) in their balance sheet valuation.

Risks of Refinancing

bmp AG and its parallel fund bmp Venture Tech GmbH have always striven to co- and refinance

investments from public loan programs in order to reduce the risks of default from shareholdings in portfolio companies in the early company phases. The advantage of these financing instruments over other forms of financing is that they provide exemptions from liability to various degrees, depending on the program, in the event of a default (insolvency) of an investment. The refinancing credits that the company or bmp Venture Tech GmbH has already received from the KfW in the past or that it may receive in the future have a fixed term, which is generally 10 years. The exemption from liability also ends with the end of the term. This could result in future risks for bmp.

Risks from Foreign Companies

bmp's foreign shareholdings are subject to the laws of the respective country. Certain contracts concluded by the bmp Group are also subject to the laws of the respective country. The company is therefore exposed to the usual dangers and risks of a foreign legal system. The application of foreign law as well as the country-specific circumstances can thus lead to unanticipated risks.

Liability associated with the disposal of shareholdings

In the scope of the sale of shareholdings – and under certain circumstances also with the participation of other investors – the bmp Group, as seller or as partner, may have to grant extensive guarantees, in particular with regard to tax liabilities, in favour of the purchaser or purchasers. In addition, the bmp Group may also be compelled to grant exemptions for certain company-specific risks. The bmp Group strives to limit the liability from such guarantees and exemptions to a specific percentage rate of the purchase price. However, the bmp Group's liability limit for the tax liabilities of its portfolio companies, with regard to either time or amount, is often non-negotiable. The bmp Group cannot exclude

the possibility that such a liability may materialize in isolated cases.

Risks of changes in interest rates

Fixed interest rates are arranged with all credits, silent partnerships, loans, and callable bonds in the bmp Group. Consequently, there are no associated risks of changes in interest rates. On the other hand, variable interest rates are assessed to all short term monetary investments.

Currency risks

In the past, the company has used various methods to pay in foreign currency for the acquisition of a shareholding or to receive payments in foreign currency for the sale of a shareholding. Depending on the date of the investment and the disposal of said investment, there may be a capital gain or loss in addition to a profit or loss on realization.

Dependence of the company on key personnel

A wide area of expertise as well as a well-developed network of personal connections and important contacts are part of the successful management of a private equity firm. The members of the bmp core team, who have worked together for many years, possess the necessary skill and network of personal connections and important contacts to enterprises and individuals relevant to the business activity of the company. The success of the company is thus substantially dependent on these persons.

Dependence of the company on cyclical influences and capital markets

The commercial success of bmp AG is first and foremost dependent on the price at which it can acquire the holdings, the positive development of the portfolio companies, and the profit achieved in a sale or relinquishment. A negative commercial development of all or several portfolio companies, or a single one,

can be caused by various external or internal factors over which the company or bmp Group has no control. The commercial success of the bmp Group is thus dependent to a large extent on the general cyclical trend, the development of the sectors in which the companies of the bmp Group have invested, and the trend of the financial markets. This applies to all three levels of its business activity, namely the acquisition of shareholdings in portfolio companies, the development of portfolio companies and the sale of portfolio companies.

Overall valuation and risk management

bmp made extensive provisions for all discernible isolated risks in its 2006 annual financial statement. Activities in the risk management area were expanded in the year 2006. There is a quality handbook. bmp has developed integrated investment controls that makes it possible to quantify and qualify the risks associated with the investment business. Along with balancing target and actual values, the system enables a thorough reporting and simultaneously fulfils the purpose of a management information system on both the investment level as well as the Group level.

The commercial development of holdings is monitored via intensive contact with the holdings. The valuation rates and growth of the investment companies are examined quarterly via appropriate finance-mathematical models. Depending on the nature and level of development of the investment company, various valuation models are employed for the evaluation in order to examine whether or not the current value to be added lies above the extrapolated acquisition costs. The possibility of counteracting undesirable developments in the holdings with appropriate measures is achieved through the continuous acquisition of the current values to be added and through investment controlling.

The current assets of bmp are in good shape and they enable a systematic development of both business areas. From the current standpoint, the isolated or cumulative incidence of the risks described poses no danger to the survival of the bmp Group. From the viewpoint of the Board of Directors, the ability of bmp to survive is both sustainable and long term.

Opportunities

The Board of Directors sees opportunities to increase their earnings by increasing the volume of the Assets under Management in the Direct Investments area and in the Private Equity Advisory area and by doing so achieve long term profitability.

6. Adjusted mandatory information:

Remuneration of the management

Board Members of the Management Board of bmp AG each receive fixed remuneration, remuneration in kind, and variable salary components arranged on an annual basis.

The fixed benefits consist of a basic salary, an advance management bonus payment, and contributions to life insurance policies; the benefits in kind consist of a company vehicle that also may be used for private purposes. The variable salary components consist of a management bonus. The management bonus for each member of the Management Board is 3% of the pre-tax profit of bmp AG, or 4% for the Chairman of the Management Board. The bonus is capped at €75,000, or €100,000 for the Chairman of the Management Board. The management bonus is paid out after the management bonus paid in advance as part of fixed remuneration has been earned.

Parent companies claiming an organized market in the sense of § 2 subsection 7 of the German Securities Acquisition and Takeover Act (Wert-

papiererwerbs- und Übernahmegesetz) on the basis of the preferred shares that they issue shall also list the following mandatory information:

Statements according to § 289 subsection. 4 No. 1 or. § 315 subsection. 4 No.1 HGB with regard to. § 171 subsection 2 AktG (acquired capital)

On December 31, 2006, bmp AG had subscribed stock in the amount of €17,500,000.00. It is divided into 17,500,000 individual shares. The bmp Aktiengesellschaft always issues a consolidated financial statement in accordance with §§ 290, 291 HGB on 31 December, which is submitted to and published on the electronic Federal Gazette (Elektronischer Bundesanzeiger).

Statements according to. § 289 subsection. 4 No. 2 or. § 315 subsection. 4 No.2 HGB with regard to § 171 subsection 2 AktG (Restrictions affecting the right to vote or the transfer of shares)

Each share carries a right to vote. There are no restrictions affecting the rights to vote or the transfer of rights to vote. The Board of Directors of bmp AG is not aware of any restrictions resulting from agreements between shareholders.

Statements according to § 289 subsection. 4 No. 3 or. § 315 subsection. 4 No.3 HGB with regard to. § 171 subsection 2 AktG (German Stock Companies Act)

(direct or indirect shareholdings in capital that exceed 10% of the rights to vote) On 31 December 2006, Oliver Borrmann held 14.81% of bmp AG's subscribed capital. This corresponds to a total of 2,591,700 shares and a corresponding number of rights to vote. The company was not informed of other direct or indirect capital holdings exceeding 10% of the rights to vote.

Statements according to § 289 subsection. 4

**No. 4 or. § 315 subsection. 4 No.4 HGB with regard to. § 171 subsection 2 AktG (German Stock Companies Act)
(Privileged shares)**

There are no shares with privileges at bmp AG.

Statements according to. § 289 subsection. 4 No. 5 or. § 315 subsection. 4 No.5 HGB with regard to. § 171 subsection 2 AktG (Control of voting rights in employee holdings)

There are no employee holdings in which the control rights of the employees are not directly exercised at bmp AG.

Statements according to. § 289 subsection. 4 No. 6 or. § 315 subsection. 4 No.6 HGB with regard to. § 171 subsection 2 AktG (German Stock Companies Act

(Regulations and stipulations of the articles on the nomination and dismissal of members of the Board of Directors and on changes to the articles)

The appointment and the dismissal of members of the Board of Directors are covered in § 84 and § 85 AktG. In accordance therewith, members of the Board of Directors are appointed by the Supervisory Board to a maximum term of five years. A reappointment or term extension, in each case for a maximum of five years, is allowed. As an addendum, bmp AG articles specifies in § 7 that the Board of Supervisors shall consist of one or several members. The appointment and the withdrawal of the appointment of members of the Board of Supervisors is the responsibility of the Supervisory Board, which also determines the number of said members. The Supervisory Board can nominate a Chairman of the Board of Directors as well as a Deputy Chairman of the Board of Directors. Alterations to the articles are always decided upon by majority vote according to law. Furthermore, § 17 of the bmp AG articles states that the Supervisory Board is authorized to enact changes to the articles that only affect the wording.

Statements according to. § 289 subsection. 4 No. 7 or. § 315 subsection. 4 No.7 HGB with regard to. § 171 subsection 2 AktG (German Stock Companies Act

(Powers of the Board of Directors with regard to the possibility of issuing or buying back stock)

The Board of Directors has the power, with the Supervisory Board's approval, until 27 June 2011 to increase the capital stock of the company one time or several times up to a total of €8,750,000 by issuing new individual shares registered in the name of the bearer in exchange for cash deposits or contributions in kind (authorized capital 2006/I) and in doing so to establish the terms for issuing shares. The buying right of shareholders may be barred:

- a) for the acquisition of companies, company divisions, or of holdings in companies in exchange for the granting of company shares,
- b) for the issuing of shares to strategic partners,
- c) if a recapitalization in exchange for cash contributions does not exceed 10% of the capital stock of the company and the issue price of the shares does not fall substantially below the market price,
- d) for balancing odd lot amounts.

As of 31.12.2006 there was no authorization for acquiring own shares. There are no provisory assets.

Statements according to § 289 subsection. 4 No. 8 or. § 315 subsection. 4 No.8 HGB with regard to. § 171 subsection 2 AktG (substantial agreements of the company grouping a change in control as a consequence of a takeover offer)

As of 31 December 2006, there were no such agreements.

Statements according to § 289 subsection. 4 No. 9 or § 315 subsection. 4 No.9 HGB with regard to § 171 subsection 2 AktG (Agreements on compensation for damages in the event of a takeover offer)

As of 31 December 2006 there were no such agreements.

7. Events after the balance sheet date and the prognosis report:

After the end of the 2006 business year, the following major transactions were made in the first quarter of 2007:

In January of 2007, bmp sold a 20% stake in Tom's Guide Publishing AG shareholding to the French company Best of Media S.A.; the closing took place at the end of March 2007. In addition, bmp sold workXL AG shareholdings to a founder in the scope of a management buyback in January of 2006. In the end of January 2007, bmp AG then sold their remaining stake in the stock exchange-listed Bankier.pl S.A. to private and institutional investors.

In February of 2007, bmp was able to sell its holdings in the Poland-based Internet Service S.A. in a trade sale to Bankier.pl S.A. In March, bmp sold its remaining stake in the stock exchange-listed Jerini AG on the stock market. In addition, the bmp AG stake in ACR S.A. was sold to the Poland-based holding K2 Internet S.A. Finally, in mid March bmp AG was able to dispose of almost half of its shares in the stock exchange-listed TFG Capital AG in the scope of an off-market block trade. On the investment side, in March bmp participated with AS Ventures GmbH in a recapitalization of the existing Gamigo AG holding with a volume of €435,000 and increased its stake in Gamigo to 45.3% .

In March of 2007, bmp AG took over 55% of the shares in CEEV, a funds company managed

by bmp, from the DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH and a private investor and now holds a 100% stake in the enterprise. Subsequent to this takeover, CEEV sold their last remaining holding, K2 Internet S.A., to bmp AG. For the time being, CEEV will continue to exist as a shelf company, a use for the medium term is still an open issue at the present time.

The Board of Directors has made a positive assessment of the 2007 market environment, an assessment already confirmed in the first quarter by the numerous sales of holdings from the bmp AG portfolio. On the investment side, as well as with sales of shareholdings, we are expecting a continuing stimulation of the venture capital market in Germany and Poland. We are likewise expecting higher investments by private and institutional investors in the Private Equity investment industry, which will also create positive framework conditions for the Funds Management and Private Equity Advisory business area. We shall continue to focus our efforts on both of our business sectors of Venture Capital Direct Investments and Funds Management/Private Equity Advisory.

As far as Venture Capital Direct Investments are grouped, our future focus will remain on the two target markets of Germany and Poland. Here we are planning to move our investments in the media, entertainment, and marketing services sector to our 100% subsidiary company bmp Media Investors AG & Co. KGaA and supplement them with additional new investments. The goal is to list bmp Media Investors on the stock exchange by the end of 2007/beginning of 2008 and by doing so raise additional financial means for new investments. Consequently, one of the investment focal points will automatically be in the media, entertainment, and marketing services sector.

In the Funds Management/Private Equity Advisory sector, we are endeavouring to acquire new mandates and expand the volume of investments that we manage. By doing so we expect the management fees to be collected by bmp to increase in the coming years. Once again, we are counting on a positive annual financial statement for the Group.

Berlin, 18 April 2007

Oliver Borrmann

Ralph Günther

Andreas van Bon

bmp AG Supervisory Board's report

Dear Shareholders

In the past business year, the Supervisory Board of bmp AG has carefully monitored the management activities of the Board of Directors and accompanied them in an advisory capacity, as well as an administrative one in their incumbent tasks according to the company articles and statutes.

In accordance with § 10 subsection 3 AktG (German Stock Companies Act), the Supervisory Board met five times in the business year of 2006 and in this regard they dealt intensively with the current status and the development of the company. In addition, three separate resolutions were made.

Supervisory Board sessions

On a regular basis with the Board of Directors, in its Supervisory Board sessions the Supervisory Board discusses current business trends, the current portfolio, the holdings purchased and sold, the developments in the private equity business, as well as the strategy of bmp AG. Because the formation of committees is dispensed with due to the size of the Supervisory Board, the Supervisory Board also deals with accounting and risk management, as well as employee affairs issues of the Board of Directors in its sessions. When it seems necessary, the Supervisory Board reserves the right in principle to discuss certain subject complexes without the Board of Directors.

Corporate Governance

The Supervisory Board has also dealt intensively with the corporate governance practice of bmp AG, and together with the Board of Directors, it has issued a compliance statement as well as prepared a corporate governance report. The compliance report, along with the no longer current compliance reports of the past five years, is published on the company's homepage www.bmp.com.

The company fulfills the recommendations of

the German Corporate Governance Code in all essential points. The existing deviations are attributable primarily to the size of the company. Additional information on corporate governance, including a detailed report on the remuneration and structure of the Supervisory Board, may be seen on pages xx and yy of the Annual Report.

The Supervisory Board examines the efficiency of its activities on a regular basis; however, external auditors have never been used, again due to the expense involved. At the present time, the Supervisory Board does not feel that this is necessary, because discussions in the Supervisory Board sessions are always conducted in a goal-directed and result-oriented manner. The fact that the Supervisory Board has its own bylaws and that the duties of the Board of Directors to provide information are also clearly established in bylaws, in which business requiring a vote is also specified, has contributed to this.

Furthermore, the entire Supervisory Board is informed of the current status of the company by means of monthly, written reports. In addition, the Board of Directors provides the Supervisory Board with the minutes of its sessions.

In other ways also the Supervisory Board engages in a close written and oral exchange of ideas on a regular basis with the Board of Directors, especially with the Chairman of the Board of Directors. It thus remains thoroughly informed at all times of the situation of the company.

Key subjects

In the 2006 business year, the Supervisory Board made special efforts to learn about the development of the private equity advisory business segment and the positioning of bmp AG as a private equity asset manager. In this regard, two strategy meetings were held with the Board of Directors. These meetings were supplementary

to the actual Supervisory Board sessions.

In principle, the Supervisory Board is kept thoroughly informed of the developments of all of the holdings in the bmp portfolio – nevertheless, special attention was focused on bmp AG's Revotar AG, Heliocentris Fuel Cells AG, YOC AG, Bankier.pl. S.A., and TFG Capital AG holdings in Supervisory Board discussions. In January of the past business year, Revotar AG implemented a recapitalization in which bmp AG's share was diluted from 54.09% to 49.99% by an intentional, disproportionately participation.

In the past year, Heliocentris Fuel Cells AG, YOC AG, and Bankier.pl S.A. were floated on the capital market. Although the definition of the exit strategy from holdings is one of the duties of the Board of Directors, the Supervisory Board discussed this subject intensively with the Board of Directors.

Finally, with regard to the bmp shareholding in TFG Capital AG, the Supervisory Board was deeply involved in the decision making concerning the special audit at TFG sought by bmp. The Supervisory Board gave its express support to this measure, as they felt it necessary that possible claims against the former TFG boards be examined and, if necessary, implemented.

Personalities

In the past business year, Supervisory Board members Prof. Roland Berger and Uwe Ahrens submitted their resignations, on 27 June 2006, to take effect at the end of the general meeting. The 2006 general meeting elected Ulrich Ankele and Bernd Brunke as new members of the Supervisory Board.

In the Supervisory Board's constituting session on 27 June 2006, the members of the Supervi-

sory Board elected Gerd Schmitz-Morkramer as Chairman of the Supervisory Board, and Bernd Brunke as his deputy.

At this point, the Supervisory Board once again heartily thanked Prof. Roland Berger and Uwe Ahrens for their respective activities on behalf of the company.

2006 Annual Financial Statement

Verhülsdonk & Partner GmbH of Berlin, who were elected as auditor in 2006 during the general meeting, audited and acknowledged with unqualified certification bmp AG's annual financial statement and the consolidated financial statement as at 31 December 2006, as well as the summarized management report of bmp AG and the bmp group, in accordance with German principles for correct auditing established by the Institut der Wirtschaftsprüfer (IDW). The consolidated financial statement was prepared in accordance with the International Financial Reporting Standards (IFRS), and the annual financial statement of bmp was prepared in accordance with the German Commercial Code (HGB).

The auditing firm declared its independence of the Supervisory Board.

The accounts were distributed to the Supervisory Board in the run-up to its balance sheet session of 26 April 2007 and examined thoroughly.

In the session, the auditor reported to the Supervisory Board on the results of his audit as a whole, as well as on the individual emphasis points of the audit. In particular, the emphasis points of the audit were the stated amount of the holdings and the other financial obligations, not only in bmp AG but also in the bmp group as a whole, including the consolidation in the consolidated financial statement.

The Supervisory Board raised no objections either to the individual audit of the consolidated financial statement and the annual financial statement of bmp AG or to the (summarized) management report. In its session on 26 April 2007, the Supervisory Board expressed its agreement with the result of the auditor's examination and approved the annual financial statement and the consolidated financial statement drawn up by the Board of Directors, and the financial statement was thus approved.

The Supervisory Board endorsed the Board of Directors' proposal for the use of the profits.

Statements according to § 289 subsection 4 or § 315 subsection 4 HGB with regard to § 171 subsection 2 sentence 2 AktG

On the strength of the German Takeover- Directive Implementation Act (Übernahmerichtlinie-Umsetzungsgesetz), changes were made in the Commercial Code (HGB) and in the German Stock Companies Act (Aktiengesetz). Accordingly, the Supervisory Board is obligated to report in detail on the following points:

Statements according to § 289 subsection 4 No 1 or § 315 subsection 4 No.1 HGB with regard to § 171 subsection 2 AktG (acquired capital)

On 31 December 2006, bmp AG had subscribed capital in the amount of €17,500,000.00. This is divided into 17,500,000 individual shares.

Statements according to § 289 subsection 4 No 2 or § 315 subsection 4 No.2 HGB with regard to § 171 subsection 2 AktG (Restrictions affecting the right to vote or the transfer of shares)

Each share carries a right to vote. There are no restrictions affecting the right to vote or the transfer of shares. The Board of Directors of bmp AG is not aware of any restrictions resulting from agreements between shareholders.

Statements according to § 289 subsection 4 No 3 or § 315 subsection 4 No.3 HGB with regard to § 171 subsection 2 AktG (direct or indirect capital holdings exceeding 10% of the rights to vote)

On 31 December 2006, Oliver Borrmann held 14.81% of the bmp AG's subscribed capital. This corresponds to a total of 2,591,700 shares and a corresponding number of rights to vote. The company was not informed of other direct or indirect capital holdings exceeding 10% of the rights to vote.

Statements according to § 289 subsection 4 No 4 or § 315 subsection 4 No.4 HGB with regard to § 171 subsection 2 AktG (Shares with privileges)

There are no shares with privileges at bmp AG.

Statements according to § 289 subsection 4 No 5 or § 315 subsection 4 No.5 HGB with regard to § 171 subsection 2 AktG (Control of voting rights in employee holdings)

There are no employee holdings in which the control rights of the employees are not directly exercised at bmp AG.

Statements according to § 289 subsection 4 No 6 or § 315 subsection 4 No.6 HGB with regard to § 171 subsection 2 AktG (Rules and stipulations of the articles concerning the nomination and dismissal of members of the Board of Directors and changes to the articles)

The appointment and the dismissal of members of the Board of Directors are covered in § 84 and § 85 AktG. In accordance therewith, members of the Board of Directors are appointed by the Supervisory Board to a maximum term of five years. A reappointment or term extension, in each case for a maximum of five years, is allowed.

As an addendum, bmp AG's articles specifies in § 7 that the Board of Supervisors shall consist of

one or several members. The appointment and the withdrawal of the appointment of members of the Board of Supervisors is the responsibility of the Supervisory Board, which also determines the number of said members.

The Supervisory Board can nominate a Chairman of the Board of Directors as well as a Deputy Chairman of the Board of Directors.

Alterations to the articles are always decided upon by majority vote according to law.

§ 17. Furthermore, § 17 of bmp AG's articles states that the Supervisory Board is authorized to enact changes to the articles that only affect the wording.

Statements according to § 289 subsection 4 No 7 or § 315 subsection 4 No.7 HGB with regard to § 171 subsection 2 AktG (Powers of the Board of Directors regarding the possibility of issuing or buying back shares)

The Board of Directors has the power, with the Supervisory Board's approval, until 27 June 2011 to increase the capital stock of the company one time or several times up to a total of €8,750,000 by the issue of new individual shares registered in the name of the bearer in exchange for cash deposits or contributions in kind (authorized capital 2006/I) and in doing so to establish the terms for issuing shares. The buying right of shareholders may be barred:

- a) for the acquisition of companies, company divisions, or of holdings in companies in exchange for the granting of company shares,
- b) for the issuing of shares to strategic partners,
- c) if a recapitalization in exchange for cash contributions does not exceed 10% of the capital stock of the company and the issue price of the shares does not fall substantially below the market price,
- d) for balancing odd lot amounts.

As of 31 December 2006 there was no authori-

zation for acquiring own shares.

Statements according to § 289 subsection 4 No 8 or § 315 subsection 4 No.8 HGB with regard to § 171 subsection 2 AktG (substantial agreements of the company concerning a change in control as a consequence of a takeover offer)

As of 31 December 2006, there were no such agreements.

Statements according to § 289 subsection 4 No 9 or § 315 subsection 4 No.9 HGB with regard to § 171 subsection 2 AktG (Compensation agreements in the event of a takeover offer)

As of 31 December 2006, there were no such agreements.

The Supervisory Board thanks the Board of Directors and all employees for their efforts and their performance in the past business year.

Berlin, 26 April 2007

Gerd Schmitz-Morkramer
Chairman of the Supervisory Board

2006 Declaration of Compliance with the Corporate Governance Code

In accordance with § 161 of the stock corporation law, the Board of Directors and the Supervisory Board declare that:

Since its last compliance declaration of 23 November 2005, bmp AG has complied with the guidelines of the Regulatory Commission of the German Corporate Governance Code, as amended on 2 June 2006, and published by the Federal Ministry of Justice in the electronic section of the German Federal Gazette, with the following exceptions:

3.8. The company concluded a D&O insurance contract for the Board of Directors and the Supervisory Board, in which no deduction was arranged.

4.2.2. As long as it makes sense for the Supervisory Board of the company to consist of three persons, and due to the size of the company, no committees or bodies shall be formed. For these reasons, there is no body to deal explicitly with management contracts and to submit proposals with regard thereto to the full plenary session of the Supervisory Board. This notwithstanding, the Supervisory Board shall inform itself extensively of the remuneration structure for the Board of Directors and examine it on a regular basis.

5.2. As long as it makes sense for the Supervisory Board to comprise three persons, due to the size of the company, committees shall not be formed. For these reasons, there are no regulations on the allocation of duties of individual Supervisory Board members in this regard.

5.4.3. The announcement of nominations for candidates for Chairman of the Supervisory Board assumes that first of all a potential candidate for the Supervisory Board is selected by the General Meeting. Furthermore, in accordance with § 11 subsection 1 of the company articles, the Supervisory Board is required to elect a Chairman and a Deputy Chairman from their ranks in the first session following their election.

This session generally takes place immediately after bmp AG's General Meeting, in which the members of the Supervisory Board are elected to their offices.

7.1.2. The consolidated financial statement is issued within 4 months of the end of the business year, and the quarterly report is issued within 2 months of the end of the respective reporting period.

bmp AG shall comply with the guidelines of the Regulatory Commission of the German Corporate Governance Code, as amended on 12 June 2006, published by the Federal Ministry of Justice in the official section of the electronic German Federal Gazette, with the following exceptions:

3.8. The company concluded a D&O insurance contract for the Board of Directors and the Supervisory Board, in which no deduction was arranged.

4.2.2. As long as it makes sense for the Supervisory Board of the company to consist of three persons, due to the size of the company, no committees or bodies shall be formed. For these reasons, there is also no body to deal explicitly with management contracts and to submit proposals with regard thereto to the full plenary session of the Supervisory Board. This notwithstanding, the Supervisory Board shall inform itself extensively of the remuneration structure for the Board of Directors and examine it on a regular basis.

5.2. As long as it makes sense for the Supervisory Board to comprise three persons, due to the size of the company, committees shall not be formed. Against this background, the company shall also not follow the guideline recommending that the Chairman of the Supervisory Board should be chairman of the committee that negotiates management contracts.

5.3. As long as it makes sense for the Supervisory Board to comprise three persons, due to the

size of the company, committees shall not be formed. Against this background, the company shall follow neither the guideline recommending the formation of an auditing committee nor the accompanying recommendations.

5.4.3. The announcement of nominations for candidates for Chairman of the Supervisory Board assumes that first of all a potential candidate for the Supervisory Board is selected by the General Meeting. Furthermore, in accordance with § 11 subsection 1 of the company articles, the Supervisory Board is required to elect a Chairman and a Deputy Chairman from their ranks in the first session following their election. This session generally takes place immediately after the bmp AG General Meeting, in which the members of the Supervisory Board are elected to their offices. The announcement of nominations of candidates for Chairman of the Supervisory Board is not feasible against this background.

7.1.2. Due to the extensive effort required for consolidation, the consolidated financial report shall be issued within 4 months of the end of the business year and the quarterly report shall be issued within 2 months of the end of the respective reporting period.

Corporate Governance Report

In general, corporate governance includes international and national values and principles for good and responsible company management, which apply to the management as well as the employees of a company. The purposes of corporate governance are to ensure a responsible, qualified, transparent, and long term success-oriented company management and to strengthen the trust of shareholders and investors in the capital market.

With the taking effect of the German Corporate Governance Code (henceforth referred to as „the Code“) in 2002, standards for value-oriented and transparent company management and monitoring were implemented for the first time in Germany. The Code formulated principles for the following sectors:

- » Supervisory Board
- » Board of Directors
- » Cooperation between the Board of Directors and the Supervisory Board
- » Relationship with shareholders and the General Meeting
- » Accounting and annual audit
- » Transparency

The principles of good and transparent corporate governance have been a solid component of the company management at bmp for many years. We comply with the guidelines of the German Corporate Governance Code to a large extent and we issue an annual statement with regard thereto. Because of our parallel listing on the Warsaw Stock Exchange, we are also obligated to comply with the Polish Capital Market Law and we also issue an annual compliance statement with regard thereto.

Management and supervisory structure

As a German stock corporation, bmp AG is subject to the German stock corporation laws and therefore has a bicameral management and supervisory structure comprising a three-

member Board of Directors and a three-member Supervisory Board.

Supervisory Board

According to § 10 No 1 of our articles, the Supervisory Board of bmp AG is composed of three members. It is elected in a separate election of candidates by the General Meeting (Annual Shareholders' Meeting) of bmp AG.

§ 10 No 4 of our articles provides for the office of a new Supervisory Board member to last for the remainder of the term of a retiring or resigning member in the case where a new member is elected to replace a retiring or resigning member. In practice, this leads to the fact that members of the Supervisory Board cannot be elected for varying periods, contrary to the guidelines of the Code. In this point, bmp deviates from the recommendations in the Code. We feel that the election of Supervisory Board members for an identical period serves to establish the continuity of the work of the Supervisory Board members and therefore we will also not follow this recommendation in the future.

According to § 11 No 1 of our articles, the Supervisory Board, in the first session after its election, elects a chairman and a deputy from its ranks. This election generally takes place directly subsequent to the General Meeting in which the election of Supervisory Board members took place. Against this background, bmp does not comply with the Code's guideline of announcing nominations of candidates for the Supervisory Board to the shareholders.

The original job of the Supervisory Board is the monitoring and advising of the Board of Directors in the management of company business. Against this background, the Supervisory Board has given the Board of Directors bylaws that call for the approval of the Supervisory Board in major Board of Directors decisions, such as larger

acquisitions and corporate actions.

Furthermore, the Supervisory Board passes or approves the annual financial statement of the bmp AG or the consolidated financial statement and is responsible for the appointment of members of the Board of Directors and for establishing their remuneration rate.

The Supervisory Board drafted bylaws for itself that govern the tasks, responsibilities, and operating processes of the Supervisory Board.

According to § 15 of our articles, the Supervisory Board is authorized to form committees from its ranks, as stipulated by law, and to assign them tasks and powers through its bylaws or through special resolutions.

Under point 5.3, the German Corporate Governance Code recommends the formation of professionally qualified committees, especially an auditing committee. In forming such committees, attention should be paid to the specific conditions of the company and the number of members on Supervisory Board.

As mentioned above, the Supervisory Board of the bmp AG is presently composed of only three members. For this reason, committees are not formed.

For its activities, the Supervisory Board receives a fair remuneration, which was set by the General Meeting on 4 July 2001. This includes base pay, remuneration for each session day, as well as performance-based commission. The Chairman and the Deputy Chairman of the Supervisory Board are taken into consideration herein. Detailed statements on the remuneration structure can be found on page 46 to 48 of this report.

Board of Directors

The directorship of bmp AG and the bmp group is the duty of the Board of Directors, for which

they are solely responsible. In performing this duty, they are bound by the interests of the company and the sustainable increase of the company value for the benefit of the shareholders, the investors, and the employees.

In cooperation with the Supervisory Board, the Board of Directors develops the company strategy and ensures the implementation thereof.

In the interests of corporate governance, the Board of Directors ensures compliance with the law, as well as appropriate risk management and risk control of the company.

Our board of Directors is composed of three members and has a Chairman. One of the bylaws enacted by the Supervisory Board governs the allocation of duties and the cooperation within the Board of Directors, as well as the duty to provide information to the Supervisory Board. Furthermore, the Supervisory Board has made certain substantial Board of Directors resolutions, for example, concerning larger acquisitions or corporate actions, contingent upon its approval.

Overall, the cooperation between the Board of Directors and the Supervisory Board is characterized by a regular, close exchange of information, which vastly exceeds the formal regulations of the bylaws.

For its activity, the Board of Directors receives a fair remuneration, which is established by the Supervisory Board. The remunerations of the Board of Directors are oriented to performance and entrepreneurial success and are composed of both fixed and variable components. You can find details on the remuneration structure on page 45 of this report.

D&O Insurance

Point 3.8. of the Code provides for an appropriate deduction in any conclusion of a D&O insurance contract for the Board of Directors and the Supervisory Board.

The D&O insurance contract for the members of the Board of Directors and the Supervisory Board concluded by bmp AG did not and does not provide for such a deduction. In our opinion, the same deduction based on identical duties does not seem to be in our best interests, given the different levels of personal income and wealth among the individual members of the Board of Directors and the Supervisory Board. We will therefore continue to deviate from this guideline of the Code in the future.

Relationship with shareholders

bmp AG issues reports to its shareholders regarding the company's development, as well as the financial and profit situation of the company, four times a year according to a fixed financial calendar. Contrary to the Code recommendation, however, we disclose our consolidated financial statement only within four months of the end of the business year, and the quarterly reports within two months of the end of the respective reporting period.

Furthermore, we inform our shareholders thoroughly and in a timely manner of substantial events taking place in the course of the business year in the form of press releases and internet presentations. We make other information available beyond that required by legal requirements concerning information and obligations of disclosure.

In accordance with the fair disclosure principle with regard to all of our shareholders, we always disclose our information in German, English, and Polish.

Our shareholders exercise their rights in the company's affairs in the Annual General Meeting (Shareholders' Meeting). In the scope of the convocation, we not only distribute the reports and documents required by law for the General Meeting or send them to the shareholders upon request, but we also disclose these documents on the internet site www.bmp.com under the Investor Relations/General Meeting heading.

bmp supports its shareholders and their rights in that we appoint proxies, who enable those shareholders who wish to exercise their right to vote in this manner, as specified in the directives.

Compliance regulations

As responsible company managers it is a matter of course that bmp complies with the applicable regulations and directives.

Because we are listed on the stock exchange, we place special emphasis on the handling of insider information and the prevention of insider trading.

We deal with this subject thoroughly and consistently. Through internal organizational measures, we ensure that insider information is handled in a legal and responsible manner. All of our employees who may come into contact with insider information in a legally compliant manner are registered in our insider listing and appropriately trained.

In principle, the Board of Directors and employees of bmp are allowed to trade bmp shares as well as shares of the companies in which bmp has holdings, or in which bmp audits an investment. In order to avoid any conflicts of interest, however, we have developed a comprehensive internal compliance system, according to which trading is only permissible upon prior approval by our compliance staff. This also applies to the

members of the Board of Directors.

Share transactions by the Board of Directors and the Supervisory Board

According to § 15a of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG), the members of the Board of Directors and the Supervisory Board are obliged to disclose any acquisition or divestiture of bmp AG shares, or financial instruments related thereto, when the value of the transactions made within the calendar year by the member or his deputy attains or exceeds the sum of 5,000 EUR.

The following transactions undertaken by bmp AG were reported in the 2006 business year:

Person subject to disclosure requirement

Surname	Borrmann
Forename	Oliver
Function	Chairman of the Management Board
At	Emitter

Details of the transactions

Date	8.2.2006
Financial instrument	bmp share
ISIN	DE0003304200
Type of Transaction/ place	sell/over the counter
Rate/Price	EUR 1.80
No. of Shares	50,000
Total amount	EUR 90,200.00
Comments	sell within a private option deal

Date	13.12.2006
Financial instrument	bmp share
ISIN	DE0003304200
Type of Transaction/ place	sell/XETRA
Rate/Price	EUR 2.43
No. of Shares	10,000
Total amount	EUR 24,300.00
Comments	-

All transactions are published on our company homepage www.bmp.com under the heading Investor Relations/Corporate Governance.

See page 74 of this report for ownership of company shares by the Board of Directors and the Supervisory Board.

Corporate Governance Guidelines

Our articles, the annual document specified in § 10 WpPG (German Securities Prospectus Act), the reports specified in § 15a WpHG, statements on the remuneration of the Board of Directors, as well as all compliance declarations of our company can be downloaded from our homepage www.bmp.com under the heading Investor Relations/Corporate Governance.

The Board of Directors and the Supervisory Board ensure that corporate governance in the bmp AG is kept active and monitored and improved at regular intervals. On 01.12.2006 both bodies made the declaration printed on page 38 and 39 of this report, in accordance with § 161 AktG.

Management Board's additional statement

The following statement from the bmp AG Management Board is submitted according to the requirements of § 96 clause 1, no. 5 and 6 of the regulations of the council of ministers for the Polish Republic dated 19th October 2005 concerning the current and periodical information which are to be provided by the share issuing company.

The company's annual statement of accounts is compiled by the Management Board in accordance with the current IFRS-accounting principles in the EU and to the best of our knowledge. The statement conveys a true picture of the current assets, financial and profit status. The company's annual report is consistent with the consolidated accounts and overall conveys an appropriate picture of the company's position and portrays the chances and risks of future development.

Verhülsdonk & Partner GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft was elected as auditor for the financial year 2006 at the bmp AG annual general meeting on 27.06.2006 according to the requirements of legal specifications and commissioned by the Supervisory Board of bmp AG with the audit. Verhülsdonk & Partner GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft declared the Supervisory Board of bmp AG the independence of the auditing company and tax accountancy.

Compensation Report

bmp AG's Compensation Report explains the bases for determining the compensation (remuneration) of the Board of Directors and the Supervisory Board, as well as the amount and structure of this compensation, and it is a component of the Corporate Governance Report.

Remuneration of the management

The structure of the compensation system for the bmp AG Board of Directors is established by the Supervisory Board of the company. Because of the size of the Supervisory Board, which consists of three members, there is no personnel committee that deals with the compensation system for the Board of Directors.

The compensation of the members of the bmp AG Board of Directors is oriented to the size and the activity of the enterprise as well as its economic and financial status.

The objective is to compensate the members of the Board of Directors fairly and to take the joint performance of the Board of Directors and the success of the enterprise into consideration when doing so. Because the Board of Directors consists of only three members, only the Chairman of the Board of Directors receives compensation that is different from that of the other members.

The compensation of the Board of Directors is examined on a regular basis. This examination is based specifically on the economic development of bmp AG.

The overall compensation of the Board of Directors is performance-oriented. In the business year of 2006, it was composed of the following components: a non-performance based pay (salary), a performance-based pay (management bonus or royalty), and fringe benefits. The fringe benefits are also applied toward the pensions of the members of the Board of Directors.

The detailed structure of each component follows:

Non-performance based pay

Non-performance based pay consisted of a basic salary and an advance management bonus.

Performance-based pay

Performance-based pay consisted of a 3% royalty on bmp AG profits before taxes for each Board of Directors member or 4% of bmp AG profits before taxes for the Chairman of the Board of Directors. The royalty was capped at €75,000 in each case for the members of the Board of Directors and at €100,000 for the Chairman of the Board of Directors.

Fringe benefits

The fringe benefits to which the Board of Directors are entitled were applied primarily toward pension and social security contributions. Against this background, the company estimated the fraction of the contributions payable towards compulsory annuity insurance should compulsory coverage be in place. In addition, the company made the mandatory employer's contributions towards a compulsory or private health insurance.

Furthermore, the company took out cash-value life insurance at its own expense for the benefit of the members of the Board of Directors. In addition, the company took out accident insurance for the duration of the respective employment contracts for the members of the Board of Directors. These policies also covered private risks. The member of the Board of Directors or his heirs are directly entitled to any claims from this insurance.

The members of the Board of Directors also received payments in kind in the form of company cars that may also be used for private purposes. Business-related expenses were reimbursed.

Any liability for taxes on monetary assets from the fringe benefits as well as taxes owed on insurance premiums were the responsibility of the respective Board of Directors member.

Secondary employment

The members of the Board of Directors may accept remunerated or gratuitous secondary employment only after receiving written consent from the Supervisory Board. This also applies to board of directors-related and business management activities, mandates in supervisory boards, advisory boards, or similar bodies, as well as to honorary offices in the commercial sector. In principle, remunerations for such activities are to be paid to the company. Accepting employment as a lecturer in a public or private educational institution constitutes the sole exception.

In detail, the Board of Directors received the compensations listed below in 2006.

There are no commitments for performance payments in the event that the service of an individual Board of Directors member is terminated.

In the 2006 business year, bmp did not grant the members of the Board of Directors any advances on future payments or credits, nor did it enter into any contingencies for the benefit of these persons.

Members of the corporate bodies of bmp AG are exempted by bmp AG from third party claims so far as legal obligations permit. To this end, the company maintains a D&O insurance policy (see also p. ??? of the business report).

Compensation of the Supervisory Board

According to § 16 of the bmp AG articles, the Supervisory Board of the company is entitled to a compensation (remuneration) that is established by the General Meeting.

The bmp AG General Meeting of July 4, 2001 decided on a remuneration schedule for the Supervisory Board comprising the following components: an annual base pay, a remuneration for each meeting day, as well as a capped, performance-based pay.

The pay schedule takes the Chairman and the Deputy Chairman of the Supervisory Board into account – in the event that there is a change of Chairmen during a business year or the takeover or the loss of the appointment as Supervisory Board member, the base pay and the performance-based pay shall be pro-rated. The capping of performance-based pay applies conjointly to the Supervisory Board member or Chairman and his successor in office.

The following criteria apply to the individual components of the compensation of the Supervisory Board:

in €000	Fixed remuneration	Contributions to insurance	Company car	Variable Payment	Allowance	Total 2006	Total 2005
Oliver Borrmann	120	15	6	100	1	242	142
Ralph Günther	108	13	7	75	2	205	129
Andreas van Bon	108	13	9	75	0	205	140
Total	336	41	22	250	3	652	411

Annual Base Pay

The annual base pay, which is calculated on an annual pro rata basis, totals €10,000 for the Chairman of the Supervisory Board and €5,000 for the other members of the Supervisory Board.

Attendance fees

The Chairman, Deputy Chairman, and all other members of the Supervisory Board receive compensations of €2,500, €1,500, and €1,000, respectively, per meeting day.

Performance-based pay

The Supervisory Board is entitled to performance-based remuneration, which is payable if a net profit according to the German Commercial Code (HGB) (reduced by an amount of at least 4% of the capital contributions of the shares on the least issue amount) greater than 10 cents per share is earned according to the annual financial statement declared by bmp AG.

The performance-based pay is scaled as follows:

- a) with a profit between 10 and 20 cents per share, for every whole cent exceeding a 10 cent earning per share
1. €1,000 per cent for the Chairman of the Supervisory Board,
 2. €500 per cent for the other members of the Supervisory Board,
- b) with a profit greater than 20 cents per share, for every whole cent exceeding a 20 cent earning per share
1. €2,000.00 per cent for the Chairman of the Supervisory Board,
 2. €1,000.00 per cent for the other members of the Supervisory Board,

wherein the performance-based pay is capped

1. at €50,000 for the Chairman of the Supervisory Board,
2. and at €25,000 for each remaining

member of the Supervisory Board.

In the event of a recapitalization in exchange for cash or in return for stock, instead of the amount of 10 cents or 20 cents per share, a value based on the ratio of the time elapsed from the day on which the contribution to be made to the recapitalization was completed until the end of the business year to the overall length of the business year shall be allocated to the new shares. (Example: Capital contribution on 20.10.2001; corresponds to a ratio of 73/365 days, i.e., 1/5. Instead of 10 cents or 20 cents, 2 cents or 4 cents shall be allocated).

In the event of a recapitalization from the company's own resources or a capital reduction, the values of 10 cents or 20 cents shall be adjusted proportionately.

Due to the 5:1 ratio decrease of the subscribed capital in 2003, the result to be attained in the case of point a) lies between €0.50 and €1.00 or in the case of b) at greater than €1.00.

In addition to the compensation, any sales tax owed shall always be paid in the mandatory amount, as specified in § 16 of the articles or in the resolution of bmp AG's General Meeting of 4 July 2001.

In the 2006 business year, bmp did not grant members of the Supervisory Board any advances on future payments or credits, nor did it enter into any contingencies for the benefit of these persons.

The members of the bodies of bmp AG, however, are exempted by bmp AG from third party claims within a legally permissible framework. To this end, and with the approval of the bmp AG General Meeting of 4 July 2001, the company also took out a D&O insurance policy for the benefit of the members of the Supervisory

Board (also see p. 42 of the Annual Report).

According to § 16 of the bmp AG articles, the members of the Supervisory Board are also entitled to reimbursement of their expenses.

In detail, the Supervisory Board received the following compensations in 2006:

Prof. Roland Berger	11
Uwe Ahrens	4
Gerd Schmitz-Morkramer	21
Bernd Brunke	7
Ulrich Ankele	6
Total	49

Group Financial Statement as at December 31 2006 for the Financial Year 2006

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Group Balance Sheet as at 31 December 2006

Assets	Notes	2006	2005
		€	€,000
Long-term assets			
Intangible assets	16	585.58	25
Tangible assets	8,16	63,309.92	58
Equity investments	6,17	14,984,597.89	23,391
Silent partnerships and loans	7,17	2,703,221.92	3,218
Affiliated companies and Joint Ventures	18	334,413.59	311
Long-term receivables	19	0.00	209
		18,086,128.90	
Current assets			
Trade accounts receivable		890,041.99	119
Receivables and other assets	20	6,706,580.87	3,229
Cash on banks and cash on hand	21	5,756,677.19	2,656
Prepaid expenses	12,22	22,591.38	43
		13,375,891.43	
Total assets		31,462,020.33	33,259

Liabilities	Notes	2006	2005
		€	€,000
Shareholders' equity			
Subscribed capital	23,26	17,500,000.00	17,500
Capital reserves	24,26	530,600.78	5,505
Revaluation surplus	25,26	972,256.66	972
Accumulated net loss		2,999,031.19	-5,148
		22,001,888.63	
Long-term liabilities			
Liabilities from refinancing activities	28	8,576,522.18	12,980
Liabilities to banks	29	0.00	529
Long-term provisions	31	83,000.00	82
		8,659,522.18	
Current liabilities			
Trade accounts payable		95,523.46	36
Liabilities to banks	10,29	0.00	212
Other liabilities	10,30	516,486.06	484
Provisions	9,31	188,600.00	106
Prepaid income	12,22	0.00	1
		800,609.52	
Total liabilities		31,462,020.33	33,259

Group Profit and Loss Statement for the period from 1 January 2006 to 31 December 2006

	Notes	2006 €	2005 €,000
Sales revenue			
Income from disposal of investments and securities	32	10,891,181.23	2,121
Other operating income			
Income from revaluation of investments	33	3,626,868.63	6,601
Other operating income	33	425,716.81	508
Income from consulting and commissions		240,182.37	157
Reduction in book value of investments and securities			
Reduction in book value of investments and securities	34	-6,949,274.56	-1,776
Staff costs			
Wages and salaries	35	-1,282,204.49	-1,050
Social security contributions and costs for pensions and support	35	-143,835.47	-128
Depreciations			
Depreciation on intangible and tangible fixed assets	16	-49,637.66	-62
Depreciation on financial assets and securities	17,18,39	-1,177,420.62	-1,849
Other operating expenses			
Other operating expenses	36	-2,036,044.65	-1,981
Operating income/ loss		3,545,531.59	2,541
Income from investments	37	94,154.62	370
Interest and similiar income	38	377,272.50	340
Interest and similiar expenses	40	-843,630.79	-1,065
Profit/loss on ordinary activities		3,173,327.92	2,186
Other taxes		-287.90	0
Consolidated net profit/loss		3,173,040.02	2,186
Deficit carried forward from previous year		-5,147,944.49	-7,334
Withdrawal from the capital reserve	24	4,973,935.66	0
Accumulated profits/deficit		2,999,031.19	-5,148
Profit/loss per share €		0.18	0.12
Diluted profit/loss per share €		0.18	0.12

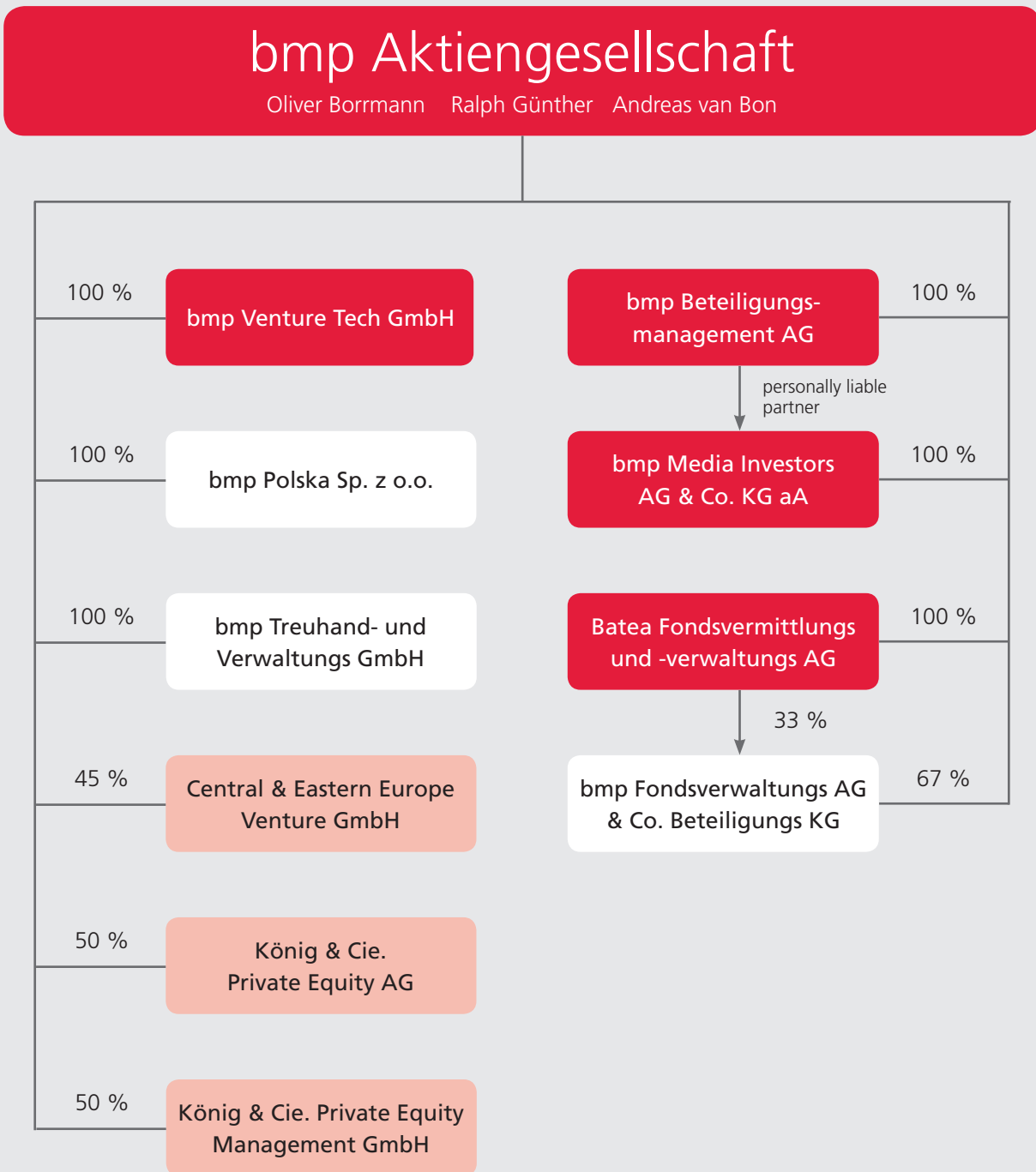
Group Cash-Flow Statement for the period from 1 January 2006 to 31 December 2006

	Notes	2006 €,000	2005 €,000
Business activities			
Consolidated net profit/loss		3,173	2,186
Depreciation on investments and securities	39	1,177	1,849
Depreciation on tangible assets	16	50	62
Appreciation on investments and securities	33	0	-857
Other expenses/ income with no effect on liquidity		80	-24
Revaluation of holdings and securities	33	-3,627	-5,744
		853	-2,528
Decrease/(-) increase in assets and Increase/(-) decrease in liabilities			
Receivables and other assets	20	-130	206
Other liabilities	30	92	-14
Prepaid expenses/income	22	19	-12
Provisions	31	84	173
Net income/expenses for business activities		918	-2,175
Holdings and affiliated companies			
Additions to holdings, silent partnerships and loans	17	-3,499	-6,861
Change in affiliated companies and Joint Ventures	18	67	-163
Disposals of holdings, silent partnerships and loans at net book value	17	8,238	4,461
		4,806	-2,563
Tangible fixed assets			
Additions	16	-31	-10
Disposals at net book value		1	0
Cash-Flow from investments		4,776	-2,573
Financing activities			
Decrease in liabilities to banks	28,29	-3,593	-1,733
Cash Flow from financing activities		-3,593	-1,733
Change in cash and cash equivalents		2,101	-6,481
Cash and cash equivalents at the beginning of the reporting period	41	3,656	10,137
Cash and cash equivalents at the end of the reporting period	41	5,757	3,656

Breakdown of Group Assets

Figures in €	Subscribed capital	Capital reserve	Accumulated net loss	Other profit reserves	Total
Equity as at 31.12 2005 (IFRS)	17,500,000.00	5,504,536.44	-5,147,944.49	972,256.66	18,828,848.61
Withdrawal from the capital reserve	0.00	-4,973,935.66	4,973,935.66	0.00	0.00
Net profit for the year	0.00	0.00	3,173,040.02	0.00	3,173,040.02
Equity as at 31.12 2006 (IFRS)	17,500,000.00	530,600.78	2,999,031.19	972,256.66	22,001,888.63

Structure*) of bmp under Company Law as at 31 December 2006



- Fully consolidated companies
- Shares in joint ventures consolidated using the equity-method
- Companies not included in the consolidation due to their secondary importance

* the break-down of the structure of bmp AG under Company Law as at 31 December 2006 did not form part of the audit of the annual accounts.

Notes to the Group financial statements for the financial year 2006

I. GENERAL INFORMATION

1. Business activities of the Group

As a Private Equity Investment company, bmp Aktiengesellschaft (hereafter also referred to as "bmp AG" or "the Company") provides innovative growth companies with early stage and expansion financing. bmp AG concentrates primarily on investments in Germany, Poland and Switzerland. bmp AG invests its own funds and manages funds for institutional investors. It generates income mainly through increasing the value of the holdings it acquires. In addition, bmp AG is currently developing its Private Equity Advisory business area. The consolidated subsidiaries are also active in the same business or exercise supporting roles.

The headquarters of bmp Aktiengesellschaft is located at Schlüterstrasse 38, D-10629 Berlin, Germany.

bmp Aktiengesellschaft is registered in the Commercial Register of the District Court of Berlin-Charlottenburg, Federal Republic of Germany, under the number HR-B 64 077.

2. Basis of the Group financial statements

At the start of the financial year 2005, bmp AG converted its accounting to International Financial Reporting Standards (IFRS). It published its Group financial statements on 31 December 2006, in accordance with the International Financial Reporting Standards and Interpretations of the International Accounting Standards Board (IASB), to be applied bindingly as of 31 December 2006.

The Group financial statements present an authentic picture of the assets, financial situation and earnings as well as the cash flows.

The profit and loss statement was structured according to the cost of production method. The Group financial statements are reported in euros. Unless otherwise stated, all amounts are rounded up or down to the nearest thousand euros (€000).

The Group financial statements were prepared by the Company and submitted to the Supervisory Board on 18 April 2007. Events after the reporting date are taken into account up to this date. After presentation of the audit results by the auditor at the Supervisory Board meeting on 26 April 2007, the Supervisory Board approved the Group financial statements and issued the Report by the Supervisory Board. With the approval of the Supervisory Board, the Group financial statements were released for publication.

3. Voluntarily applied IFRS provisions

In the Group financial statements of 31 December 2006, no standards were applied on a voluntary basis ahead of schedule in the newest version.

4. Companies included in the consolidation

4.1 Full consolidation

Included in the Group financial statements are bmp AG, Berlin, as the parent company, and the accounts of bmp Venture Tech GmbH, Berlin, and Batea Fondsvermittlungs und -verwaltungs AG, Berlin, bmp Media Investors AG & Co. KG aA, and bmp Beteiligungsmanagement AG.

bmp Media Investors AG & Co. KG aA, founded on 11 December 2006, was fully consolidated, with bmp Beteiligungsmanagement AG as personally liable partner. These companies are included by way of full consolidation in accordance with IAS 27, as bmp AG exercises control over them.

Control within the meaning of IAS 27 is present if there is the opportunity to determine the financial and business policy of a company. This does not apply to the venture capital holdings. As parent company, bmp AG holds 100% of the shares in the fully consolidated companies.

4.2 Joint ventures

Shares in joint ventures were reported in accordance with IAS 31.38 – Shares in Joint Ventures – using the equity method. As of 31 December 2006 there were three joint ventures, König & Cie. Private Equity AG, König & Cie. Private Equity Management GmbH, and Central- & Eastern Europe Venture GmbH. bmp AG has a 50% stake in each case in König & Cie. Private Equity AG and König & Cie. Private Equity Management GmbH and holds 45% of the shares and voting rights in Central & Eastern Europe Venture GmbH. After the balance sheet date, the remaining shares in Central & Eastern Europe Venture GmbH were acquired, so that bmp AG now holds 100% of the shares and voting rights; in the meantime business operations were suspended.

Based on the 50% shareholding in König & Cie. Private Equity AG, long term financial investments amount to €5,000 and the short term assets amount to €322,000 as of 31 December 2006. The provisions amounted to €81,000, and short-term liabilities to €219,000. Income amounted to €202,000 and expenses to €2,000 as of 31 December 2006. The book value of the Joint Venture amounts to €277,000.

Based on the 50% in the König & Cie. Private Equity Management GmbH, short term assets amount to €19,000 as of 31 December 2006. Short term liabilities amounted to €7,000. As of 31 December 2006, income amounted to €0 (nil); the expenses to €1,000. The book value of the Joint Venture amounts to €13,000.

Based on the 45% in Central & Eastern Europe Venture GmbH, as of 31 December 2006 short term assets amount to €292,000; long term assets to €126,000. Provisions amounted to €8,000; liabilities to €3,000. Income for the 1 Jan. – 31 Dec. 2006 period amounted to €841,000; the expenses to €312,000. The book value of the Joint Venture amounts to €1.00.

4.3 Other subsidiaries

Within the framework of IFRS, the following companies were not included in the consolidation due to their secondary importance:

- » bmp Fondsverwaltungs AG & Co. Beteiligungs KG, Berlin
- » bmp Treuhand- und Verwaltungs GmbH, Berlin
- » bmp Polska Sp. z o.o.

bmp AG also refrained from valuing these companies "at equity" for reasons of materiality.

bmp Fondsverwaltungs AG & Co. Beteiligungs KG and bmp Treuhand- und Verwaltungs GmbH currently perform no operating business. Both companies are inactive.

5. Principles of consolidation

The annual financial statements of subsidiaries included in the Group financial statements are reported according to uniform methods of accounting and valuation. Capital consolidation is performed in accordance with the regulations of IAS 27.

6. Equity investments

Equity investments in portfolio companies are assigned to the valuation category "Financial Assets at Fair Value through Profit and Loss". In principle, the initial and follow-up valuation of financial instruments in this category is performed at fair value in accordance with the provisions of IAS 39. Value changes between the initial and follow-up valuation as well as between subsequent points in time are reported separately under other operating income or depreciation on financial investments.

For the purpose of implementing fair value reporting of investments, a valuation guideline was drawn up. According to this guideline, shares in listed companies for which there is an active and liquid market are valued at their stock market price as of the date of valuation, if necessary, less a discount. For all other shares in non-listed companies for which there is no active and liquid market, the fair value is calculated on the basis of generally recognised valuation procedures, wherein the degree of fluctuation based on the results of different methods for the same holding must reside within a justifiable range. These valuation methods include, in particular, the Peer Group Comparison as well as the Discounted Cash Flow Method. In the Peer Group Comparison, the company value is calculated on the basis of multipliers of a group of comparable companies. Additional discounts, mainly due to the lack of marketability, are included in the calculation. In the Discounted Cash Flow Method, future cash flows are discounted; the cash value of perpetuity is calculated for the subsequent period. The valuation methods are in line with the recommendations of EVCA (European Private Equity and Venture Capital Association) and NACVA (National Association of Certified Valuation Analysts).

7. Silent partnerships and loans

The item "Silent partnerships and loans" covers long-term loans of a fixed term that are reported in the balance sheet at amortised costs. Discernable risks are taken into account through appropriate provisions.

8. Tangible assets

Tangible fixed assets and intangible assets are reported in the balance sheet at acquisition cost less accumulated depreciation. Depreciation takes place on a straight-line basis as scheduled.

9. Provisions

Provisions may only be entered on the liabilities side if an obligation exists and utilisation is likely. Long-term provisions are discounted, if through discounting the resulting rate of interest effect is significant.

10. Liabilities

Liabilities are reported as short-term, inter alia, if the debt is payable within 12 months of the balance sheet date. Therefore, the balance sheet makes a distinction between short-term and long-term liabilities.

11. Deferred taxes

Deferred taxes are reported as temporary differences between the tax accounts value and the IFRS balance sheet value of an asset or debt. A duty to report exists if reporting criteria exist for deferred taxes on the assets side and on the liabilities side.

In addition, expected tax reductions resulting from losses carried forward are to be capitalised if sufficient taxable income is likely to be generated in the foreseeable future to offset non-utilised tax-related losses carried forward.

On the basis of framework tax conditions currently applicable in Germany, revenue from sales of investments is generally tax-exempt. Therefore, bmp AG refrained from capitalising deferred taxes.

12. Accrued income and expenses

Accrued income includes payments made before the reporting date that represent expenses for a certain time after this date. Accrual of expenses takes place for deposits before the reporting date that represent the income for a definite period after this date.

13. Estimates

The item "equity investments" under long-term assets, includes shares in venture capital holdings. The valuation of these holdings depends to a very large extent on estimates in many and diverse areas. From forecasts on economic framework data, on developments of markets and market segments, economic forecasts on the basis of the holdings themselves, through to capitalisation interest rates, inflation rates and exchange rates, the whole valuation process is subject to assumptions and estimates

that influence the value of the item "equity investments".

14. Method of historical recording

Both shareholdings and securities are valued by way of the average cost method and, in the case of partial sales, taken into account under material costs.

15. Basic information

With the adoption of Regulation (EC) No. 1606/2002 of the European Parliament and the European Council of 19 July 2002 on the application of international accounting standards, the Group financial statements of companies whose shares are traded in a regulated market of a Member State of the European Union must be prepared in accordance with the provisions of International Financial Reporting Standards (IFRS) for financial years commencing after 1 January 2006.

Therefore, bmp AG converted its Group accounting to IFRS with an opening balance as of 1 January 2005. Balancing items resulting on this reporting date were transferred to equity without affecting profits. All assets and debts were reported in the balance sheet in accordance with IFRS regulations to be applied bindingly as of 31 December 2006.

II. NOTES ON THE BALANCE SHEET

16. Intangible assets and tangible assets

Intangible assets and tangible assets relate exclusively to acquired rights of use and to goods. Intangible assets and tangible assets are depreciated on a straight-line basis over their useful life in accordance with tax law provisions. The book value is calculated from the acquisition or production cost less accumulated depreciation. Durations of useful life range from between 3 and 20 years.

Acquisition costs in € ,000	01.01.2006	Disposal	Addition	31.12.2006
Intangible assets	190	62	0	128
Tangible assets	461	234	31	258
Total	651	296	31	386

Depreciation in € ,000	01.01.2006	Disposal	Addition	31.12.2006
Intangible assets	166	63	24	127
Tangible assets	403	234	26	195
Total	569	297	50	322

Book Value in € ,000	01.01.2006	31.12.2006
Intangible assets	24	1
Tangible assets	58	63
Total	82	64

17. Equity investments as well as silent partnerships and loans

The item equity investments covers equity investments in portfolio companies at the market value to be attached to the investment. Silent partnerships and loans are, as a rule, only granted to companies in which bmp AG also has an equity investment.

In T€	Equity investments		Silent partnerships and loans	
	2006	2005	2006	2005
1.1.	23,391	13,605	3,218	6,902
Addition	3,206	5,982	243	880
Disposal	-13,793	-2,122	-1,077	-2,339
Transfer	50	1,640	0	-1,640
Valuation	2,131	4,286	319	-585
31.12.	14,985	23,391	2,703	3,218

The equity investments listed under "addition" were classed as "Financial Assets at Fair Value through Profit and Loss."

For equity investments and silent partnerships as well as loans, there is generally a default risk, as there are numerous risks linked to the economic development of young companies that can lead to the insolvency of the company. The risk factors are monitored and assessed continuously by way of a comprehensive controlling and risk management system. If necessary, risk development is taken into account in the revaluation of the investment.

In addition, in the past, bmp AG utilised releases from liability provided by Kreditanstalt für Wiederaufbau (KfW). When calculating depreciation on equity investments and silent partnerships, it was accounted for that relevant agreements were in place.

In €000	2006	2005
Equity investments	14,985	23,391
Silent partnerships and loans	2,703	3,218
Total	17,688	26,609
Releases from liability	3,187	6,919
Remaining net risk	14,501	19,690

Holdings of €17,688,000 at book value include holdings of €1,259,000, which the Management has fully depreciated to the book value not released from liability. These asset items are set against refinancing loans released from liability of the same amount on the liabilities side, which will be discharged in the case of loss (generally insolvency). In the case of loss, both the book value of the holding and the refinancing loan of the same amount shall be written off. In the case of a sale below book value, release from liability can only be exercised with the consent of KfW and its countersureties.

In the case of an active investment company whose company value is permanently below the book value of the holding, 100% depreciation on the book value of the holding that has not been released from liability would not suffice.

Management currently considers this to be the case in a single instance in the investment portfolio, so that a single value adjustment over and above the book value of the holding released from liability was formed.

The valuation of equity investments is described under "Equity investments". The holdings were managed in the following valuation categories:

In €,000	Book value	Number	Appreciation	Book value	Number	Appreciation
Valuation method	2006			2005		
Stock market price	3,806	1	5	4,194	2	511
Third-party transaction	5,975	2	0	6,548	3	3,033
Peer Group comparison	1,781	2	550	8,695	6	2,357
Fair value corresponds with acquisition costs	637	4	0	18	2	0
Fair value corresponds with acquisition costs less discount	2,786	6	10	3,936	10	216
Total	14,985	15	565	23,391	23	6,117

18. Affiliated companies and joint ventures

Acquisition costs in €,000	01.01.2006	Disposal	Addition	Appreciation	31.12.2006
Affiliated companies	347	100	20	0	267
Joint Ventures	239	0	13	91	343
Total	586	100	33	91	610

Depreciation in €,000	01.01.2006	Disposal	Addition	31.12.2006
Affiliated companies	222	0	0	222
Joint Ventures	54	0	0	54
Total	276	0	0	276

Book Value in €,000	01.01.2006	31.12.2006
Affiliated companies	125	45
Joint Ventures	185	289
Total	310	334

19. Long-term receivables

Acquisition costs in €000	01.01.2006	Transfer	31.12.2006
Long-term receivables	418	-418	0

Dpreciation in €000	01.01.2006	Transfer	31.12.2006
Long-term receivables	209	-209	0

Book Value in €000	01.01.2006	31.12.2006
Long-term receivables	209	0

The receivables recorded as long term in the previous year have a remaining term of less than one year as of 31.12.2006 and have hence been recorded as short-term assets.

20. Receivables and other assets

In €000	2006	2005
Receivables		
Receivables from affiliated companies	4	4
Receivables from holdings	61	134
Receivables from the tax authorities	495	549
Other receivables	229	34
Total receivables	789	721
Securities		
cash equivalent	0	1,000
securities held for trading purposes	5,918	1,508
Total securities	5,918	2,508
Total	6,707	3,229

Securities held for trading purposes may be categorised as follows:

In €000	Book value	Number	Appreciation	2005		
				Book value	Number	Appreciation
Valuation method		2006				
Stock market price	3,806	4	2,052	2	1	0
Third-party transaction	1,912	4	691	866	2	484
Fair value corresponds with acquisition costs	200	1	0	0	0	0
Total	5,918	9	2,743	868	3	484

21. Balances with banks, cash on hand

In €,000	2006	2005
Balances with banks, cash on hand	5,757	2,656

Please refer to the cash flow statement for information on the use of liquid assets.

22. Accrued income and expenses

In €,000	2006	2005
Accrued income	23	43
Accrued expenses	0	1

23. Equity and shares

All bmp shares are non-par-value bearer shares with an accounting par value of € 1.00. One vote is granted with each ordinary share.

The shares are traded in the official market of the Frankfurt Stock Exchange and, at the same time, in the Prime Standard index of the official market of the Frankfurt Stock Exchange. In addition, the shares are traded in the unofficial market of the stock exchanges of Berlin-Bremen, Düsseldorf, Hamburg, Munich and Stuttgart. The shares are also traded on the Warsaw Stock Exchange.

The number of shares has changed as follows:

In shares	2006	2005
Position as at 01.01.	17,500,000	17,500,000
Position as of 31.12.	17,500,000	17,500,000

24. Capital reserve

The capital reserve contains amounts generated over and above the par value through the issuing of shares.

In €,000	2006	2005
Position as at 01.01.	5,505	5,505
Withdrawal from the capital reserves	4,974	0
Position as of 31.12.	531	5,505

25. Revaluation surplus

Valuation differences arose as a result of the conversion of accounting to IFRS. These valuation differences were recorded under equity as the "revaluation surplus".

In € ,000	2006	2005
Position as at 01.01.	972	1,267
Release affecting profits	0	-295
Position as of 31.12.	972	972

26. Change in equity

Please refer to the breakdown of Group assets for information on changes in equity.

27. Authorised capital

Authorised capital totalled €8,750,000.00 as of 31 December 2006 (previous year €20,475,000). The term of the authorised capital ends on 27 June 2011.

28. Refinancing liabilities

The bmp Group has refinancing liabilities to the Kreditanstalt für Wiederaufbau (KfW).

In € ,000	2006	2005
Position as at 1 January.	12,980	14,502
Disbursements / Increases	507	602
Repayments / Releases from liability	-4,910	-2,124
Position as of 31 December	8,577	12,980

The residual term of these redemption-free loans is more than five years for €112,000, from one to five years for €8,369,000, and redemption-free loans of €96,000 are due within a year.

€7,416,000 of the €8,577,000 are collateralised through the relinquishment of all claims from the refinanced holdings in the KfW.

29. Liabilities to banks

Liabilities to banks over and above refinancing liabilities were completely repaid in 2006.

In € ,000	2006	2005
Position as at 1 January	740	952
Repayments	740	212
Position Total as at 31 December	0	740
- thereof long term liabilities	0	528
- thereof short term liabilities	0	212

30. Other liabilities

In €,000	2006	2005
Liabilities to the tax authorities	39	31
Employees' claims to paid leave	19	23
Outstanding invoices	9	10
Profit sharing – KfW	101	333
Liabilities – accounts and audit	87	75
Liabilities – wages and social security contributions	3	12
Board of Directors management bonuses	164	0
Rent	30	0
Commissions	26	0
Share purchase price	38	0
Total	516	484

KfW has a contractual claim to profit sharing in the case of a few holdings. As the market value to be attached to a few of the holdings affected by the profit sharing is greater than the original acquisition costs, the likely resulting profit sharing was taken into account as a liability.

31. Provisions**31.1. Short-term provisions**

In €,000	01.01.2006	Addition	Utilisation	Release	31.12.2006
Provisions for personnel	94	183	-91	-6	180
Other provisions	12	9	-12	0	9
Total	106	192	-103	-6	189

31.2. Long-term provisions

In €,000	01.01.2006	Addition	Utilisation	Release	31.12.2006
Provisions for personnel	82	1	0	0	83

III. NOTES ON THE PROFIT AND LOSS STATEMENT

32. Sales revenue

In €,000	2006	2005
Revenue from the sale of investments	8,341	1,969
Revenue from the sale of marketable securities	2,550	152
Total	10,891	2,121

33. Other operating income

33.1 Other operating income

In €,000	2006	2005
Other operating income	334	350
Income from Joint Ventures	91	158
Total Other operating income	425	508

33.2 Income from revaluation

In €,000	2006	2005
Income from revaluation of equity investments	3,308	6,601
Other income from revaluations	319	0
Total income from revaluation	3,627	6,601

With regard to the previous year's presentation, the items "Income from revaluation" and "Additions to financial assets" in the previous year's listing were combined.

34. Reduction in book value of investments and securities

In €,000	2006	2005
Reduction in book value of investments	4,911	1,624
Reduction in book value of securities	2,038	152
Total	6,949	1,776

This position shows the reduction in book value of the holdings and securities corresponding to the revenues from the sale of holdings and marketable securities, in which sales of shares that were acquired from the viewpoints of monetary investments are listed at net purchase price under other operating income or other operating expenses.

35. Personnel expenses

In €,000	2006	2005
Wages	1,282	1,050
Social security contributions and pension costs	144	128
Total	1,426	1,178

At the end of the year, the number of employees was:

	2006	2005
Number of individuals	14	17
Full-Time-Equivalent	13	12
Trainees	0	1

36. Other operating expenses

In €,000	2006	2005
Losses on receivables and & transfers to provisions for losses on receivables	395	513
Outside services	574	290
Office space costs	107	94
Insurance, contributions and charges	90	70
Advertising, travel and stock exchange costs	233	270
Profit shares – third parties from additions to market value	23	333
Various operating costs	614	411
Total	2,036	1,981

37. Income from investments

In €,000	2006	2005
Interest income from silent partnerships	94	370

38. Interest and similar income

In €,000	2006	2005
Interest income from deposits at banks	194	182
Interest income from the granting of loans	183	158
Total	377	340

39. Depreciation on financial assets and marketable securities

In €,000	2006	2005
Depreciation on financial assets	1,160	1,848
- thereof on affiliated companies	0	224
- thereof on equity investments	1,160	1,096
- thereof on silent partnerships and loans	0	528
Marketable securities	17	1
Total	1,177	1,849

This position includes unscheduled depreciations on equity and silent partnerships and affiliated companies that no longer justify their valuation at book value as well as on marketable securities, including listed shares in which the value or the stock market price was below the book value at the end of the year.

40. Interest and similar expenses

In €,000	2006	2005
Interest paid for KfW loans	815	1,020
Interest paid for other long term liabilities	22	39
Other interest and similar expenses	7	5
Total	844	1,064

IV. NOTES ON THE CASH FLOW STATEMENT**41. Notes on the cash flow statement**

In accordance with IAS 7, payment flows are reported in the cash flow statement in order to provide information on the Company's cash and cash equivalents. The payment flows are differentiated on the basis of operating activity as well as investment or financing activity. The indirect form of presentation is applied.

41.1. Cash and cash equivalents

The cash and cash equivalents at the beginning and at the end of the periods exist in the form of cash at banks and short-term money market papers.

In €,000	2006	2005
Cash on hand	0	1
Cash at banks	5,757	2,655
Money market funds	0	1,000
Total	5,757	3,656

41.2. Releases from liability

Releases from liability granted by the KfW led to a reduction of refinancing liabilities not affecting liquidity in the reporting period. The decrease of liabilities from banks was thus reduced by €1,551,000. No releases from liability were granted in the previous year.

41.3. Regroupings

In the 2006 financial year, investments over €3,386,000 were regrouped in "Receivables and other assets" on account of short-term relinquishment plans. This non-liquidity affecting grouping was duly taken into account in the capital flow calculation.

41.4 Cash flow from interest

The following interest was received or paid:

In € ,000	2006	2005
Interest paid	353	1,064
Interest received from holdings	151	514
Interest received from banks and other institutions	190	189

With regard to bmp Venture Tech GmbH, €780,000 in interest was paid to the KfW in the reporting period. This interest applies to previous years and has been expensed in previous years.

V. OTHER INFORMATION**42. Risk management**

Please refer to the Management Report for information on risk management, and especially on financial risk management.

43. Releases from liability

Within the framework of the refinancing of holdings, Kreditanstalt für Wiederaufbau (KfW) has regularly granted releases from liability to investors. Within the framework of a loss – as a rule, the insolvency of a company in which we have invested – the investor is released from the obligation to repay the refinancing it has utilised. KfW was compensated for these releases from liability, on the one hand, through an increased rate of interest, and on the other hand, through profit sharing in realised income and returns.

44. Contingencies

Within the framework of the sale of shares in holding companies, it is standard for finance investors to have to give guarantees and warranties to the purchasers. bmp AG and its subsidiaries have assumed comprehensive guarantees and warranties, as customary within the respective trades, in sales of shares. There are presently no indi-

cations for any utilisation thereof.

45. Profits per share

Undiluted profits per share are calculated by dividing the annual net profit by the weighted average number of shares outstanding during the financial year.

	2006	2005
Consolidated net profit in €,000	3,173	2,186
Average number of shares	17,500,000	17,500,000
Profits per share in €	0.18	0.12

46. Permanent debt obligations

The obligations in 2007 from rental and leasing contracts total €92,000.

47. Divisional reporting

At present, divisional reporting is not considered appropriate for the business operations of bmp AG with respect to its business segments or for its geographic orientation.

48. Declaration of Conformity pursuant to Section 161 German Stock Corporation Law (AktG)

The Management Board and Supervisory Board of bmp AG have issued the declaration stipulated in accordance with Section 161 German Stock Corporation Law (AktG) and made it available to shareholders on a permanent basis on the bmp AG website.

49. The auditors' fees

The following auditor's fees were recorded as expenses in the financial year 2006:

In €,000	2006	2005
Fee for accounts and audit	42	43
Tax consultancy fee	4	20
Other fees	1	1
Total	47	64

50. Information on the Company's executive bodies

50.1 Board of Directors

Members of the Management Board of bmp AG in the financial year 2006 were:

- » Oliver Borrmann, Businessman, Chairman
- » Ralph Günther, Businessman
- » Andreas van Bon, Businessman

50.2 Remuneration of the Management

Board Members of the Management Board of bmp AG each receive fixed remuneration, remuneration in kind and variable salary components arranged on an annual basis.

The fixed remuneration comprises a basic salary, a management bonus paid in advance and contributions to life insurance policies. The remuneration in kind comprises company cars that may also be used for private purposes. The variable salary components consist of a management bonus. The management bonus for each member of the Management Board is 3% of the pretax profit of bmp AG, or 4% for the Chairman of the Management Board. The bonus is capped at €75,000, or €100,000 for the Chairman of the Management Board. The management bonus is paid out after the management bonus paid in advance as part of fixed remuneration has been earned.

This was allocated as follows:

in €000	Fixed remuneration	Contributions to insurance	Company car	Variable Payment	Allowance	Total 2006	Total 2005
Oliver Borrmann	120	15	6	100	1	242	142
Ralph Günther	108	13	7	75	2	205	129
Andreas van Bon	108	13	9	75	0	205	140
Total	336	41	22	250	3	652	411

50.3. Other offices held by the members of the Management Board

Mr. Borrmann is a member of the Supervisory Board of the following companies:

YOC AG	year-round
ErgoTrade AG	year-round
newtron AG	year-round
brand eins Medien AG (Chairman)	year-round
Revotar Biopharmaceuticals AG (Vice Chairman)	year-round
König & Cie. Private Equity AG (Vice Chairman)	year-round
Heliocentris Fuel Cells AG (Chairman)	17.05.2006 - 31.12.2006

Mr. Borrmann is also a member of the Management Board of Batea Fondsvermittlungs und -verwaltungs AG and Managing Director of bmp Venture Tech GmbH and Central & Eastern Europe Venture GmbH.

Mr. Günther was a member of the Supervisory Board of the following company:

Tom's Guides Publishing AG	year-round
eHedge AG	year-round

Furthermore, Mr. Günther is Managing Director of bmp Venture Tech GmbH and Kö-

nig & Cie. Private Equity Management GmbH.

Mr. van Bon is member of the Supervisory Board of the following companies:

Gamigo AG	19.11.2006 – 31.12.2006
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Mr. van Bon is also a member of the Management Board of Batea Fondsvermittlung und -verwaltungs AG and König & Cie Private Equity AG as well as Managing Director of König & Cie. Private Equity Management GmbH.

50.4. Supervisory Board

Members of the Supervisory Board of bmp AG in the financial year were:

Prof. Roland Berger, Munich Chairman of the Supervisory Board until 27.06.2006	Chairman Roland Berger Strategy Consultants
Gerd Schmitz-Morkramer, Munich Chairman of the Supervisory Board since 27.06.2006	Solicitor
Uwe Ahrens, Berlin until 27.06.2006	Managing Director of aap Ahrens, Ahrens und Partner GmbH
Bernd Brunke, Berlin Vice Chairman of the Supervisory Boards since 27.06.2006	Partner of Roland Berger Strategy Consultants
Ulrich Ankele Member of the Supervisory Board since 27.06.2006	Managing Director of KfW a.D.

Overall remuneration of the Supervisory Board of bmp AG totalled €49,000 in the 2006 financial year.

In detail, the members of the Supervisory Board were entitled to the following remunerations:

Prof. Roland Berger	11,000
Uwe Ahrens	4,000
Gerd Schmitz-Morkramer	21,000
Bernd Brunke	7,000
Ulrich Ankele	6,000

Mr. Schmitz-Morkramer is member of the Supervisory Board of the following companies:

YOC AG (Chairman)	year-round
Merck Finck Treuhand AG (Chairman)	year-round
MLP AG (Vice Chairman)	year-round
Merck Finck Vermögensbetreuungs AG	year-round

Mr. Brunke and Mr. Ankele hold no other memberships on supervisory boards or other supervisory bodies.

50.5. Shareholdings of the Management Board and Supervisory Board as of 31 December 2006:

Members of the Management Board held 2,612,887 shares; the members of the Supervisory Board held no shares.

51. Information on relations with affiliated companies and individuals

In the financial year 2006, no transactions were made with other individuals in key positions or close relations of individuals in key positions.

52. Risk management and events after the reporting date

Please refer to notes in the Management Report for methods and objectives of risk management as well as for events after the reporting date.

53. Investment pursuant to Section 21 Subsection 1 or Subsection 1a Securities Trading Law (WpHG)

Oliver Borrmann, Berlin	14.81%
Walther-Gruppe, Paderborn	7.53%
Roland Berger-Gruppe, Munich	8.83%

54. Share Property

Enterprises in which the Company has either indirect or direct holdings in the sense of § 313 subsection 2 no. 4 HGB:

Figures in T€	Share	Subscribed capital	Shareholders Equity 31.12.2006	Annual results 2006
Subsidiaries				
bmp Polska Sp.z o.o., Warszawa/Polen	100.00%	TPLN 250	TPLN 268	TPLN -1
Batea Fondservmittlungs und -verwaltungs AG, Berlin	100.00%	100	50	38
Central & Eastern Europe Venture GmbH, Berlin	45.00%	100	903	1,176
bmp Media Investors KGaA	100.00%	2,000	1,988	-12
bmp Beteiligungsmanagement AG	100.00%	50	46	-4
bmp Venture Tech GmbH, Berlin	100.00%	102	-20,450	513
bmp Treuhand- und Verwaltungs GmbH, Berlin	100.00%	25	23	0
bmp Fondsverwaltungs AG & Co. Beteiligungs KG	100.00%	3	-1	-1
Joint Ventures				
König & Cie. Private Equity AG	50.00%	50	295	240
König & Cie. Private Equity Management GmbH	50.00%	25	23	-2
Investments:				
ErgoTrade AG, Hallbergmoos	49.99%	178	861 (1)	194 (1)
Revotar Biopharmaceuticals AG, Henningsdorf	49.99%	3,300	2,986 (1)	771 (1)
WorkXL AG, Berlin	49.02%	69	58 (1)	18 (1)
Internet Service S.A., Wroclaw/ Polen	46.95%	TPLN 3,200	TPLN -627 (1)	TPLN -103 (1)
Newtron AG, Dresden	35.60%	1,610	-1,395 (1)	-1,396 (1)
Heliocentris Fuel Cells AG, Berlin	32.76%	1,200	- (2)	- (2)
Gamigo AG, Rheine	32.18%	122	156 (3)	-146 (3)
Nokaut Sp. z o.o., Gdynia/ Polen	31.65%	TPLN 79	- (2)	- (2)
K2 Internet S.A., Warschau/ Polen	26.24%	TPLN 1,550	TPLN 2,414 (1)	TPLN 922 (1)
eHedge AG, Frankfurt/ Main	25.40%	75	155 (1)	93 (1)
Tom's Guides Publishing AG, Unterföhring	20.00%	50	-468 (1)	115 (1)
Shotgun Pictures GmbH, Stuttgart	20.00%	50	-221 (1)	-515 (1)
TFG Capital AG Unternehmensbeteiligungsgesellschaft	12.74%	11,899	29,130	2,052

(1) Balance sheet data as of 31.12.2005

(2) No data available

(3) preliminary on 31.12.2005

18. April 2007

Oliver Borrmann
Board of Directors

Ralph Günther
Board of Directors

Andreas van Bon
Board of Directors

The consolidated accounts of bmp AG drawn up in the German language were audited by the auditing firm Verhülsdonk & Partner GmbH and endorsed with an unqualified audit certificate on April 2007.

This English translation of our Annual Report was prepared to the best of our knowledge and belief, but it has not been certified. The German version of the Annual Report is the authoritative version.

The Management Board

Financial Calendar 2007

31 May 2007	Publication of Quarterly Results
19 June 2007	Shareholders' Meeting 2007
31 August 2007	Publication of Half Year Results
30 November 2007	Publication of Nine Months Results

Directions

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senstrasse in the district of Charlottenburg.

You can reach us via public transport:

- » From Tegel Airport: Bus 109 (going to Zoologischer Garten)
- » From Hauptbahnhof: S-Bahn S5, S75, S9 until Savignyplatz
- » And also with the following buses: M19, M29, 101, 110

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