



PRIVATE MARKETS
PUBLIC MARKETS
REAL ESTATE

ALTIRA
GROUP

ANNUAL REPORT
2008

Independent Investment Teams,
Institutional Infrastructure
Entrepreneurial Asset Management

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ANNUAL REPORT 2008

OUR GUIDING PRINCIPLES

The Altira Group – entrepreneurial asset management

The Altira Group is an owner-managed, listed asset management company that focuses on alternative investment strategies for institutional and private investors.

An expert for growth markets

The Altira Group focuses on both established and newly developing future-oriented growth markets. The specialised knowledge, many years of experience and entrepreneurial thinking and action of the Altira Group's investment teams allows them to apply an active investment approach ("high alpha strategies") to achieve sustainable above-average returns in these markets.

Independent investment teams supported by an institutional infrastructure

Altira Group investment teams make independent investment decisions and use their own brand to present themselves to the market. Furthermore, they make an investment in their own products or have long-term performance-related incentives in order to ensure that their interests are aligned with those of their investors. At the same time, the investment teams all have access to the professional, institutional infrastructure of the Group, which, among other things, provides services in the risk management/controlling, legal, marketing/sales, human resources and IT areas. This approach ensures stability and a high level of service, as well as creating synergies and economies of scale.

The Altira Group also generally acts as a seed investor for the products of its investment teams, which also ensures an alignment of interests with the investors in these products and the shareholders of the Group.

**The Altira Group's goal:
Create added value for investors**

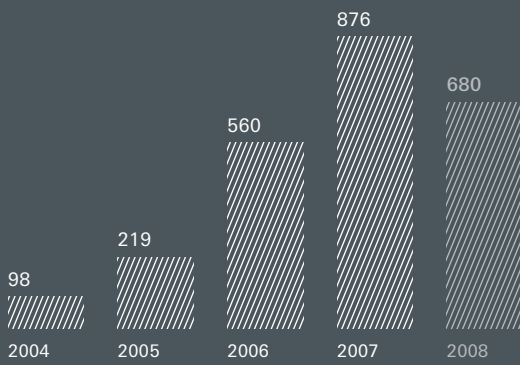
The Altira Group thus combines asset management expertise with entrepreneurial spirit. This approach allows it to pursue its goal of increasing the wealth of its demanding investors, such as the family Silvia Quandt, which is both a shareholder of the Altira Group as well as an investor in the products of its investment teams.

Altira Group is supported in this by highly respected Supervisory Board members, such as Axel-Günter Benkner, former CEO of DWS Investment GmbH, and Peter E. Merian, former CEO of Sarasin Bank.

KEY FINANCIAL FIGURES

Assets under management¹

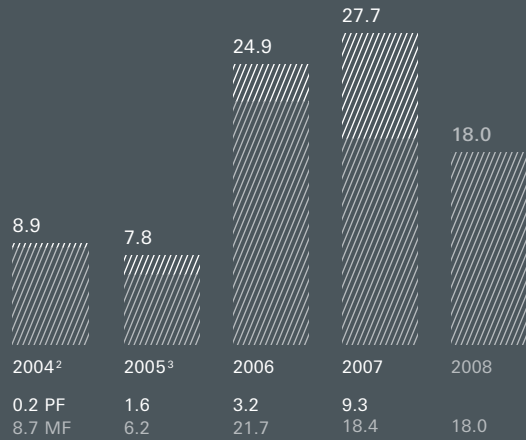
in EURm



Revenue²

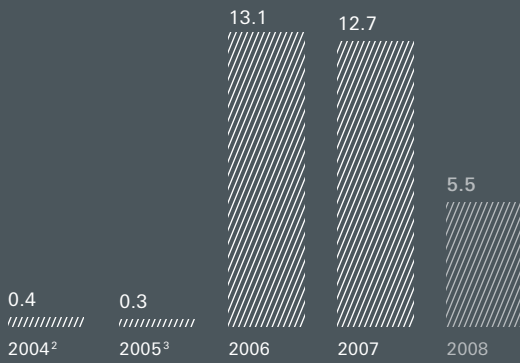
in EURm

PF = Performance Fee
MF = Management Fee



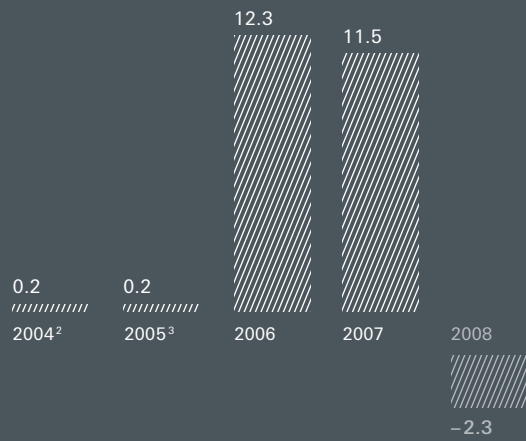
EBITDA

in EURm



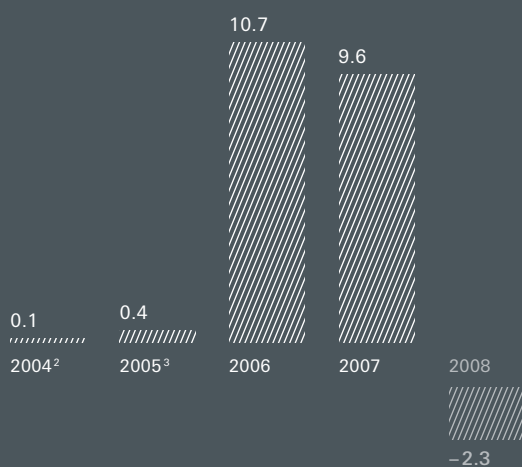
EBIT

in EURm



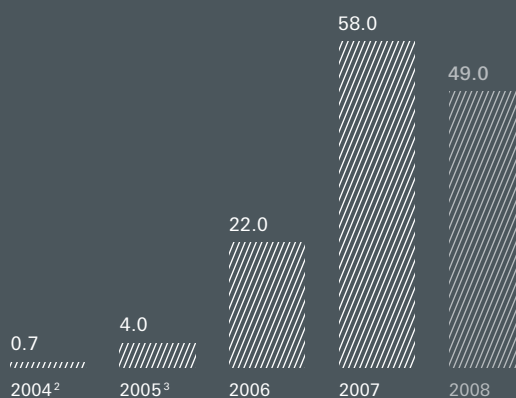
Consolidated net income

in EURm



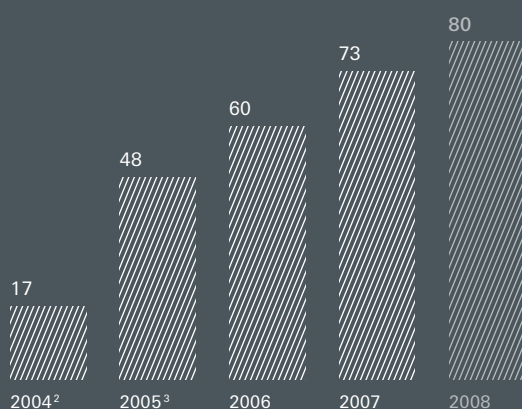
Equity

in EURm



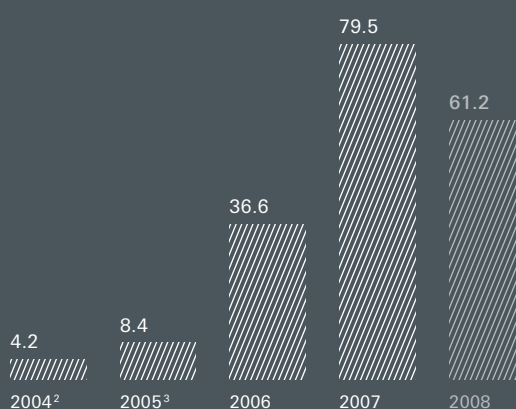
Equity ratio

in percent



Total assets

in EURm



1) Note: To allow better comparability with past figures, the assets under management of the minority interest in C-QUADRAT Investment AG were not included in consolidation using the equity method as this interest was eliminated in 2007–2008.

2) VCH subgroup figures

3) Pro forma IFRS consolidated figures

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LETTER FROM THE MANAGEMENT BOARD

Dear shareholders,

— Capital market environment

In financial year 2008, the financial sector was characterised by the most difficult conditions in decades. The collapse of Lehman Brothers in September 2008 resulted in a dramatic acceleration in the downward trend in international equities markets. Since then, the financial crisis has developed into a general crisis of confidence among all market participants as well as a significant recession in the real economy which will continue to have an effect throughout all of 2009 and part of 2010.

— Key figures

The Altira Group – your Company – successfully faced the extraordinary capital market turbulences and is now in a very stable position. In 2008, we had revenues of EUR 18.0 million from management fees, which is unchanged from financial year 2007. Thanks to the management fee income and notwithstanding the forward-looking investments we made in 2008, we were able to fully cover our costs.

However, no performance fees were earned in financial year 2008; in 2007 performance fees contributed EUR 9.3 million to revenue. As a result, revenue fell by a total of 35 percent compared to financial year 2007.

In the financial year just ended, an EBITDA of EUR 5.5 million was generated. As a result, we have proven our strength in a difficult market environment and have achieved a positive operating result. Due to write-downs of investments in our own products based on the fair-value principle, the price corrections on the stock exchanges also had a clear effect on our annual result in 2008. As a result, we are reporting a net loss for the year in the amount of EUR 2.3 million. However, these write-downs have no impact on our cash situation and are to be viewed as independent of our operating performance. Subsequent to an improvement in the market situation, they may also lead to a positive impact on profits.

With equity of EUR 49 million and an equity ratio of 80 percent, our balance sheet is very healthy. There are no liabilities due to banks.

The trust the market has placed in the Altira Group was reconfirmed in November 2008 when the Group's capital increase from authorised capital was fully placed. This enabled us to further strengthen our financial base, and to face year-end 2008 with cash holdings of just under EUR 23 million. In addition to the Angermayer, Brumm & Lange Unternehmensgruppe as the majority shareholder and the family office of the Silvia Quandt Family as a shareholder of many years, Allianz Global Investors KAG and other well-known institutional investors are now also shareholders.

— Assets under management

We are satisfied with the development of the assets under management. They only fell by approximately 22 percent despite the extraordinary circumstances in the equities markets, while at the same time improving their fundamental structure.

In the Public Markets segment, assets under management fell from EUR 584 million in 2007 to EUR 246 million. 91 percent of this reduction in assets is attributable to performance due to the general financial market situation, and only 9 percent is attributable to cash outflows by customers. This shows the trust that our customers have in the Altira Group's products, even during difficult times. Based on these very loyal customer relationships, rising markets will automatically lead to a corresponding increase in the assets under management.

In the Private Markets division, despite the adverse capital market environment, assets under management rose by 68 percent and EUR 129 million in additional funds was attracted. We consider this to be an outstanding success. With this increase in assets and the resulting successful expansion of our private equity activities, our customers have not only confirmed to us that we are pursuing the right investment areas but also in particular they have confirmed to us their trust in the strength of the performance of our products.

— Diversification

During the past several years, we have been successful in diversifying our product range. This diversification has taken place across various asset classes, ranging from Private Markets to Public Markets and Real Estate. Within these asset classes, we have in turn also diversified in various markets through our products.

Altira products not only invest in established markets undergoing structural changes, they also invest in future markets. This diversification is the result of systematic implementation of our business strategy which is oriented towards stability and sustainability and has proven itself to be correct even for such a turbulent year as 2008. While the income from mutual funds in the Public Markets division is correlated very strongly with stock exchange developments, thus reflecting the volatility of the markets, the revenues in the Public Markets division are far more stable. In this division, we offer products whose assets are available to Altira Group for a longer term. We not only offer products in which customers invest their money for a fixed ten years, for example, such as is customary in Private Equity, which ensures very stable revenues, but also offer products whose assets are permanently available to Altira Group, so-called evergreen assets. This product group was unique in a market comparison, and has great significance to our shareholders due to its revenue stability and long-term nature.

In general, it can also be stated that by diversifying into various asset classes, the revenues from management fees are to a large extent stable for the Altira Group even in difficult market phases.

— Investment teams and infrastructure

The expansion of our investment teams in 2008 was highly successful and we were able to bring on board further excellent, entrepreneurial investment managers. Our investment teams operate independently, long-term and value-oriented. In relation to their investment decisions, they are completely independent and participate in the success of their respective investment strategies via long-term incentives based on investment performance. For the products they manage, these investment managers have entered into commitments involving large amounts of their own money – up to 100 percent of their personal assets. In this way, we ensure the high level of alignment of interests that is increasingly required by customers.

In the financial year just ended, we also made further investments in our institutional infrastructure. This infrastructure provides support to the investment teams, so that they can focus on their investments. Services such as legal, human resources, finance and risk management are offered centrally within the Altira Group for all investment teams, and the investment teams receive the support they need from units such as product management, marketing, sales and public relations. In this manner, the individual investment teams are now embedded in an overall organisational structure that can offer customers a stable, transparent product accompanied by comprehensive service. Due to the use of infrastructure services by all investment teams and the increase in the asset basis, significant economies of scale are generated for the Altira Group and, consequently, for our shareholders.

— Financial year 2009

The Altira Group has set itself the objective for 2009 of exploiting the current market turbulence from a position of strength and emerging from the financial crisis significantly strengthened. In the past several months, the press, using the catch phrase “cash is king”, repeatedly highlighted companies with large holdings of cash. Due to banks’ restrictive lending policies, it has become increasingly difficult for capital-seeking companies to borrow in the market, which is why we are receiving an increasing number of highly interesting inquiries for financing and equity participations from a variety of sectors. Long before the height of the financial crisis in October, our investment teams had a high percentage of cash in their products, be it through the right exit strategies or having managed existing liquidity carefully, and are therefore particularly able to benefit from these attractive investment opportunities. The foundation is therefore being laid for first-class performance for our customers and accordingly, also for the associated performance fee for the Altira Group and its shareholders.

The Altira Group also has excellent capital resources available. It is intended to utilise these resources for strategic acquisitions, among other things.

Due to our organisation's consistent orientation toward stability in previous years, we are now able to offer our customers transparent products and excellent service. In addition to top investment specialists and related performance, this is the decisive trust and success factor in asset management. Moreover, in past years we have systematically expanded our network and are proud to be working, for example, with highly respected members of the supervisory boards of the Altira Group itself and many of our products. In 2008, the renowned Axel-Günter Benkner and Peter E. Merian joined Altira's Supervisory Board. Axel-Günter Benkner is the Managing Director of the Deutsche Vermögensbildungsgesellschaft mbH, a subsidiary of the DWS Group, where he was Chief Executive Officer until 2006. Peter E. Merian is a member of the Board of Directors and a partner in the Swiss private bank Sarasin & Cie. AG, which he managed from 1994 until 2006 as Chief Executive Officer.

— Closing remarks

In our opinion, the foundation for above-average success is not laid during boom years but rather during difficult market phases. During positive capital market phases, which we experienced from 2003 through 2007, the Altira Group was able to reap the successes from the seeds it had sown during the difficult years that came before. This is the reason we also view the current phase as a big opportunity to carefully create the basis for new above-average successes in the future by expanding on existing strategies and making selective acquisitions. In the financial services industry as well and in particular, entrepreneurial decisions oriented towards the long term are the best.

We are therefore very confident we will continue on our successful path in the future to reach our goal of becoming one of the leading independent asset managers for alternative investments in Germany.

We hope you enjoy reading this annual report, and thank you for your continued support. We look forward to continuing our relationship with you as our shareholder.

Sincerely,

Michael Rieder
Chairman of the Management Board



“Our entrepreneurial responsibility is shown by our investments in our own products and our investment managers’ participation in their own performance. This puts us in the same boat as our customers, ensuring an alignment of interests, and is being increasingly demanded by the market.”

— Michael Rieder
Chief Executive Officer, Sales & Sales Controlling,
Marketing, Public Relations and Human Resources

“We refer to it as ‘entrepreneurial asset management’. To a certain extent, every one of our employees is expected to think and act like an entrepreneur: to be proactive, motivated, creative, and have strong decision-making abilities, while at the same time always remaining aware of their responsibilities and carefully weighing all options. I think that makes us rather unique in Germany.”

— Peter Brumm
Finance & Risk Management, Controlling, Legal



“We cover a large part of the value chain in the private equity area. We have many years of expertise in corporate restructuring in particular, which is a decided advantage, especially in the current market situation. Entrepreneurs know how to make use of this advantage.”

— Andreas Lange
Chief Investment Officer



“We feel that entrepreneurship as an overarching institution crossing state boundaries and built on the principles of freedom and democracy is of crucial importance in a time of global challenges, in particular poverty and climate change. Entrepreneurship is solution-oriented, and therefore fast and efficient in managing global problems.”

— Christian Angermayer
Business Development

HIGHLIGHTS 2008

Our experience in past years has shown that independently operating investment teams often provide better performance. However, this requires that a well thought-out management approach be implemented systematically.

Founding of ADC

Altira ADC Management GmbH (ADC) was founded as a new investment team in January of the financial year just ended. The investment focus of the first product "ADC African Development Corporation" is on medium-sized companies in the sub-Saharan region of Africa, primarily in the banking, financial services, IT and telecommunications sectors.

Since then, a team has been set up consisting of twelve specialists with international experience and local networks and has raised EUR 21 million in assets for this strategy. The first four investments have been made and are being managed by the team locally.

At the beginning of 2009, ADC entered into a previously unique master agreement with the Multilateral Investment Guarantee Agency (MIGA), a World Bank subsidiary, which protects all of ADC's direct investments from political risks. This insurance master agreement covers both existing investments in sub-Saharan Africa as well as future transactions up to a stipulated limit of USD 150 million. This significantly reduces the investors' risk. With MIGA, we have found a strong cooperation partner which will not only significantly help us in our activities and local negotiations, but will also certify that each of our investments complies with an ethical business code of conduct.

VCH Expert Natural Resources

At the beginning of 2008, our mutual fund VCH Expert Natural Resources (WKN: A0BL7N) received numerous awards for its outstanding performance. LIPPER Fund Awards selected our product as the best commodities fund based on one and three-year comparisons. The Herald Tribune named this fund the "Best European commodities fund". Due to the channels of distribution in the retail market, such distinctions are very important in the mutual fund business, as they increase the level of awareness for the VCH brand and increase confidence in the product. This forms a basis for attracting future inflows of assets to the product and therefore provides the prerequisites for successful growth.

C-QUADRAT Investment AG

In March 2008, we realised a profit of EUR 3.6 million from the sale of our interest in C-QUADRAT Investment AG, an Austrian fund-of-funds provider. The sale based on a decision made in the previous financial year. At just under 5 percent, this position no longer had any strategic relevance. We remain convinced of the extraordinary abilities of the management of C-QUADRAT Investment AG and see further attractive opportunities for cooperation in the future that would be profitable for both parties.

Successful transactions

— Heliad

In April of the financial year just ended, our Altira Heliad Management GmbH (Heliad) investment team sold 49 percent of its total portfolio to Greenpark Capital, a well-known London-based financial investor. The sale to this investor, which in 2007 had been awarded the "Secondary House of the Year" prize by the trade magazine EVCJ, had a purchase price of EUR 45.3 million. This transaction generated a profit of EUR 12 million, representing a 20 percent increase for Heliad investors in a period of just 20 months. This proves the successful implementation of the investment strategy of the team, which is now in a position to use this available liquidity to re-invest in the market when it finds favourably priced buying opportunities. Moreover, the interests that were sold continue to be entrusted to Heliad for management in a separate investment vehicle. This considerably increased the total revenues received by the Altira Group from this division.

— CFC

In the course of the Heliad transaction, Greenpark Capital also acquired a 49 percent interest in the portfolio of our "Restructuring Germany" (CFC) investment team. A profit of EUR 7.1 million was realised on a purchase price of EUR 22.5 million. Our customers earned a return of 102 percent within 13 months, and due to this transaction, this investment team now also has sufficient available liquidity to exploit profitable opportunities arising in a time of low market valuations and attractive investments.

Both Greenpark transactions are excellent examples of synergies at the institutional infrastructure-level of the Altira Group that benefit both our investment teams and investors. We also expect this sale to generate attractive performance fees in our Private Markets division, which will come due in 2009.

— **Clearsight**

At mid-year, we expanded our core area of restructurings with Clearsight Investment AG, and set up a new investment team with special expertise in selecting restructuring teams in Europe. The management of Clearsight Investment AG invests customer capital in the funds of the best operational European restructuring teams (fund-of-funds model). This provides customers with access to the highly attractive European restructuring market and a broadly diversified investment product comprised of the best teams in Europe. In the first several months following its founding, commitments totalling EUR 37 million had already been raised for this product.

Capital increase 2008

We successfully placed a capital increase from authorised capital during the most difficult phase of the financial crisis in the middle of November 2008. Following the execution of the capital increase, the Company received gross liquid funds in the amount of EUR 4.8 million. The capital increase attracted additional internationally operating institutional investors such as Allianz Global Investors KAG, Frankfurt, which exceeded the 5 percent threshold by acquiring the shares and now has a 5.5 percent stake in the equity of the Company. The subscriptions to the capital increase underline the trust that institutional investors have in the Altira share and its future performance. This trust is based on the knowledge that with our outstanding investment teams we have engaged the right investment topics and thanks to our institutional organisation, we are able to offer stable and transparent products accompanied by comprehensive service.

THE BUSINESS MODEL

The Altira Group motto is “entrepreneurial asset management”, aimed at creating sustained added value for our customers, shareholders and employees.

a) Entrepreneurship within the Company

It is the “entrepreneurs” who make our products a success. We provide the framework for independent decision-making within the Altira Group. Our investment teams enjoy complete freedom to implement their investment strategies. This freedom leads not only to great motivation and an above-average commitment by the investment managers, it also leads to a high degree of identification with their work.











Moreover, the investment teams participate entrepreneurially in the performance of the products by means of appropriate performance-based incentive structures and/or investments of their own capital.

In our opinion, this is the key to successful investments.

b) Investment teams

Our investment approaches focus on both established and newly developing, future-oriented growth markets. The specialised knowledge, many years of experience and entrepreneurial thinking and action of the Altira Group’s investment teams allows them to apply an active investment approach (“high alpha strategies”) to achieve sustainable above-average returns in these markets.

Investment teams of Altira Group

Altira Group		
	Investment team	High alpha strategies
Changing Markets	Altira CFC Management GmbH 	– Restructuring Team Germany
	Altira TIG Management GmbH 	– Restructuring Team Europe
	Clearsight Investment AG 	– Restructuring Team Europe (Fund-of-funds)
	Altira Heliad Management GmbH 	– Team German „Mittelstand“
	R-QUADRAT Immobilien GmbH 	– Real Estate Eastern Europe
Future Markets	Altira ecolutions Management GmbH 	– Carbon Markets Investment Team
	VCH Vermögensverwaltung AG 	– Renewable Energy Team
	Greenland Management GmbH 	– Agriculture Team
	Altira ADC Management GmbH 	– Africa Team
	Patriarch Multi-Manager GmbH 	– Team Funds-of-Funds Retail

Focus	Assets under Management	Vehicle
– Direct investments in Germany in restructuring & reorganization situations	EUR 45 million	– KGaA (listed)
– European direct investments in restructuring & reorganisation situations as a co-investor	EUR 65 million	– Limited Partnership
– Fund-of-funds investing throughout Europe in restructuring & reorganisation situations	EUR 14 million	– KGaA (listed)
– Entrepreneur capital for German medium-sized companies	EUR 137 million	– Limited Partnership
– Real estate development in Eastern Europe and special situations in Germany	EUR 113 million	– KGaA (listed)
– Investments in electricity generation and CO ₂ reduction projects in emerging countries	EUR 38 million	– KGaA
– Equity fund focusing on forward-looking areas	EUR 141 million	– Mutual funds
– Agricultural investments in Eastern Europe	Fundraising	– KGaA
– Development investments in sub-Saharan Africa	EUR 21 million	– KGaA
– Diversified Funds-of-Funds	EUR 105 million	– Funds-of-Funds

c) Product requirements

We only offer our customers products in which we also invest, thereby expressing our own belief in the success of these products. We structure these products to be so transparent, that our customers can also understand them in detail and can track current developments. We achieve this by maintaining an ongoing dialogue with our customers and by providing regular information and continuous service.

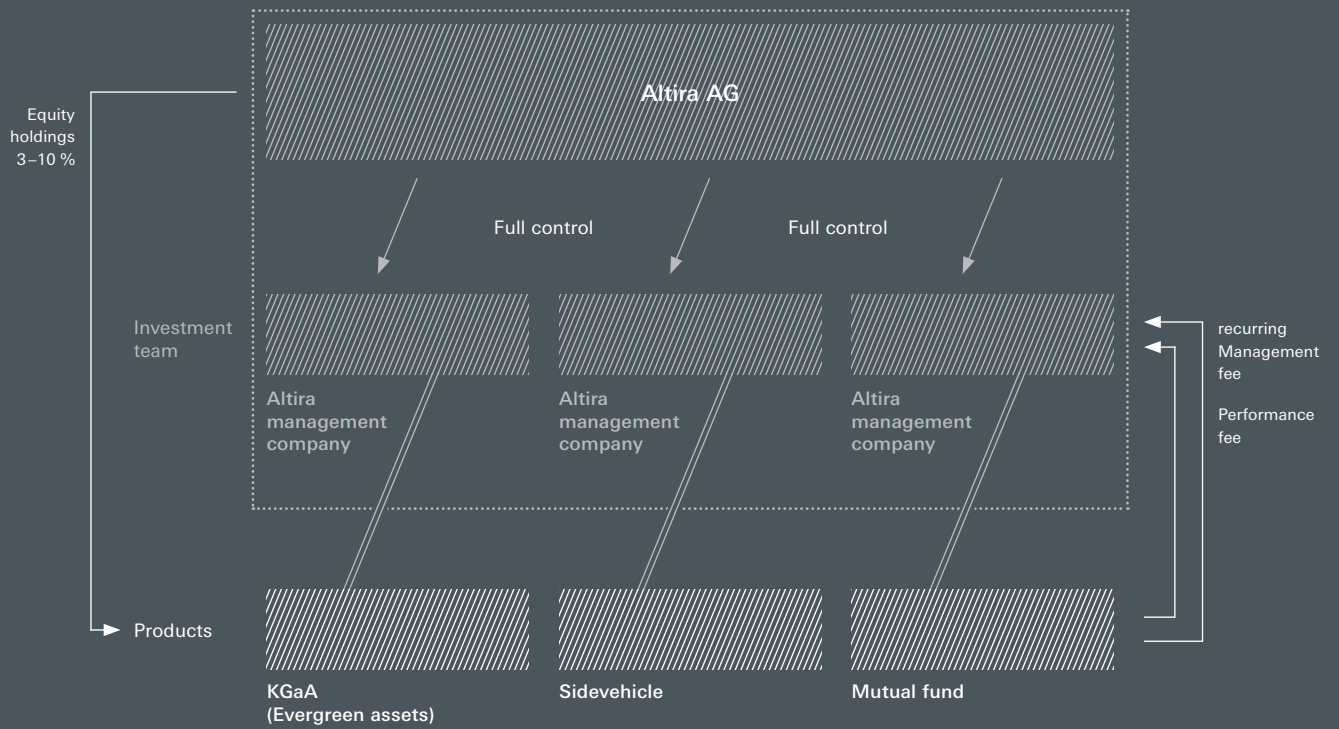
In financial year 2008, particular attention was paid to the transparency and quality of our products. Since the creation of our product management department, we are now in a position to more efficiently support our investment teams in areas such as transparency requirements, structuring expertise and distribution ability. We ultimately view this as the basis for product success.

d) Our revenue flows

Managed products pay Altira ongoing management fees calculated based on the vehicle's assets under management. Customers are entitled to the profits generated at the product level, and Altira participates through a performance fee calculated using a previously set rate.

Altira generally also invests as a seed investor in its investment teams' new products. Increases in the value of products are generally seen in the form of write-ups in the annual financial result and in Altira's revenue.

Our revenue flows



Institutional infrastructure



e) Institutional infrastructure

The institutional infrastructure provides services in the distribution/product management, risk management/controlling, marketing/public relations, legal, human resources and IT areas. Consequently, the individual investment teams are embedded in an overall organisational structure that can provide customers a stable, transparent product accompanied by comprehensive service. Moreover, significant economies of scale and synergy effects are created.

f) Our investment activities

Our investment activities are highly diversified and take place in a variety of asset classes, markets and vehicles. Within our Private Markets, Public Markets and Real Estate divisions, we offer our investors investment areas relating to both established and future markets. We also offer our products in a variety of vehicles. These include, for example, mutual funds, partnerships limited by shares and limited partnership structures.

— Private Markets

Private equity is pure entrepreneurship. It always concerns providing support to people in pursuit of their visions and giving companies or projects a long-term future orientation. This benefits investors and the companies being financed, but also the general public, because private equity is one of the most important engines of job creation.

— CFC

The Altira CFC Management GmbH ("CFC") investment team acquires majority interests in German medium-sized companies in restructuring and reorganisation situations and it assumes sole responsibility for performing the restructuring activities.

It invests for the medium to long term only in companies that have a sound core despite their current crisis situation. The objective is to prepare and further develop the existing assets of the distressed company to increase company value and orient the company in such a way that it can survive in the market over the long term with no external assistance. Often, only a symbolic purchase price is paid for a majority interest in the company. The investment focus is on companies in the fashion and household goods industries. CFC can therefore be categorised as an operational restructuring team.

— TIG

The Altira TIG Management GmbH ("TIG") investment team also specialises in medium-sized companies in turnaround and special situations with a focus on Europe. Together with its on-site operational restructuring teams, TIG invests directly in these companies as a co-investor. The European focus and the fact that TIG itself does not perform the actual restructuring differentiates it from CFC in the Altira Group. TIG's investment criteria relate to companies with a high quality product range and revenues between EUR 10 and 100 million that have the potential to generate positive cash flows from revitalisation. TIG invests in a variety of sectors with a focus on "old economy" companies.

— Clearlight

Clearlight has its registered office in Zurich and, unlike CFC and TIG, its management does not invest its assets under management directly in restructuring situations but instead provides institutional investors and family offices access to this lucrative niche via a fund of funds. Clearlight utilises an active, complex search process to systematically filter out the best teams from the many available across Europe. It focuses on funds with the most sustainable returns and not the largest or most well known funds. For Clearlight, the process of selecting the restructuring team is therefore at the forefront; this is different from CFC where the focus is on providing active assistance to the reorganisation candidate and TIG where the focus is the investment opportunity that is utilised jointly with third parties.

— Heliad

The Altira Heliad Management GmbH (“Heliad”) investment team provides entrepreneur capital to medium-sized companies and, unlike the CFC and TIG teams, invests in healthy, successful medium-sized companies in German-speaking countries that need growth capital in order to, for example, expand or implement innovative projects. Heliad focuses on established, owner-managed service companies with annual revenues between EUR 10 and 100 million. Heliad provides capital to these carefully selected companies, usually using a “buy & build strategy”, and actively supports their operational and strategic development. Heliad’s is currently providing support to thirteen companies with around 4,500 employees that are collectively generating revenues of more than EUR 600 million. The injection of capital not only safeguards the growth strategies of these companies, but also safeguards jobs and strengthens Germany as a location for business.

— ecolutions

Our climate protection investment team Altira ecolutions Management GmbH (“ecolutions”) is a leading investor, project developer and service provider for climate protection projects in emerging countries for generating electricity in the area of renewable energies and trade emissions certificates in the CO₂ market. Geographically, ecolutions works with local subsidiaries concentrating on China and India, as this is where the largest potential for greenhouse gas reductions is located and where a strong demand for renewable energy exists. Currently in the implementation stage are projects of more than 100 MW in the areas of wind energy, biomass (derived by burning agricultural waste) and degasification of landfills and a volume of more than 300 MW in the pipeline. In addition to the income from generating electricity, due to the reduction in greenhouse gases, the ecolutions climate protection projects also generate emissions certificates via the “Clean Development Mechanism” (CDM) of the Kyoto Protocol. The company trades these emissions certificates as well as those from third-party

projects on the CO₂ market. It also offers technical advisory services for climate protection projects and CDM certification. In this way, ecolutions covers the entire value-added chain arising from the Clean Development Mechanism.

— ADC

The Altira ADC Management GmbH (“ADC”) investment team focuses on development investments in sub-Saharan Africa, investing in small and medium-sized companies in selected countries within this region. Together with the local management, the company concentrates on firms in the banking/ financial services, IT, telecommunications and real estate sectors. These investments contribute to developing and strengthening the economies of their respective African countries. The capital support provided by ADC and the advice it gives to local companies generates added value for its investors and also makes a valuable contribution to development.

— Public Markets

— Patriarch

Funds-of-funds and custom-tailored management of fund assets are almost ideally suited for long-term capital accumulation. For this reason, the product range offered by Patriarch's investment team focuses on broadly diversified funds of funds. The investment team focuses on providing valuable asset allocation modules to independent financial advisors. For major partners, Patriarch will also set up a fund of funds under its own label.

This investment team is also responsible for the development of all savings plan products within the Altira Group.

— VCH

Our VCH investment team covers equities funds. True to its guiding principle, "investments with a future", VCH gears its product range to regions and sectors of the future. Its flagship products are VCH Expert Natural Resources, a fund that invests in equities in the commodities sector, and VCH New Energy, which specialises in equities in the renewable energies sector.

— Real Estate

— R-QUADRAT

The Altira Group has a 22.5 percent interest in R-QUADRAT, an Austrian real estate asset manager headquartered in Vienna, that since its founding in 2004 has successfully positioned itself as a niche player in the real estate opportunities area. R-QUADRAT covers the entire range of real estate services, from project search, to development, leasing and sales.

— Greenland

The Greenland investment team invests in agricultural land and farms in Eastern European EU member nations. Due to the relatively low land prices there and an expected long-term price equalisation within the EU, there is a potential for price appreciation in addition to ongoing land management income. The acquired operations are generally independently managed by managers or service providers. Agricultural investments are an attractive asset class and valuable asset management component due to low correlation with other assets and has proven to be quite stable even during turbulent stock exchange phases. The team is currently fundraising.

SHARE INFORMATION

Altira shares were unable to escape the equity market downward trend and ended the year at EUR 17.00 compared to EUR 38.50 at the start of the year.

Investor relations activities were significantly expanded in 2008 and the dialogue with the financial community further intensified. In the second half of the year, the Company participated in four capital market conferences and had more than 50 one-on-one discussions with investors. Roadshows were held in Frankfurt, Munich and London in collaboration with well-known brokerage houses. The Company's market presence was significantly increased over the previous year and its name recognition was further increased. The value of continuous communication with the capital market is not to be underestimated, particularly in difficult times. When the current crisis has ended, as they all eventually do, it will be important to be well positioned for a resumption of upward market movement. Continuous communication creates trust, and many companies lost the trust of their investors during the 2008 capital market turbulence. Based on transparency, presence and dialogue, we are confident we can be an exception to this.

In September 2008, Olaf Meier, 38, was appointed to manage investor relations activities, and therefore has the responsibility for investor relations, financial communications and analyst contact management. Olaf Meier has many years of investor relations experience and prior to this he worked for international corporations where he was responsible for managing investor relations departments.

Facts & figures

___ Level of transparency on Deutsche Wertpapierbörse
Entry Standard

___ Market segment on Deutsche Wertpapierbörse
Open Market

___ ISIN
DE0001218063

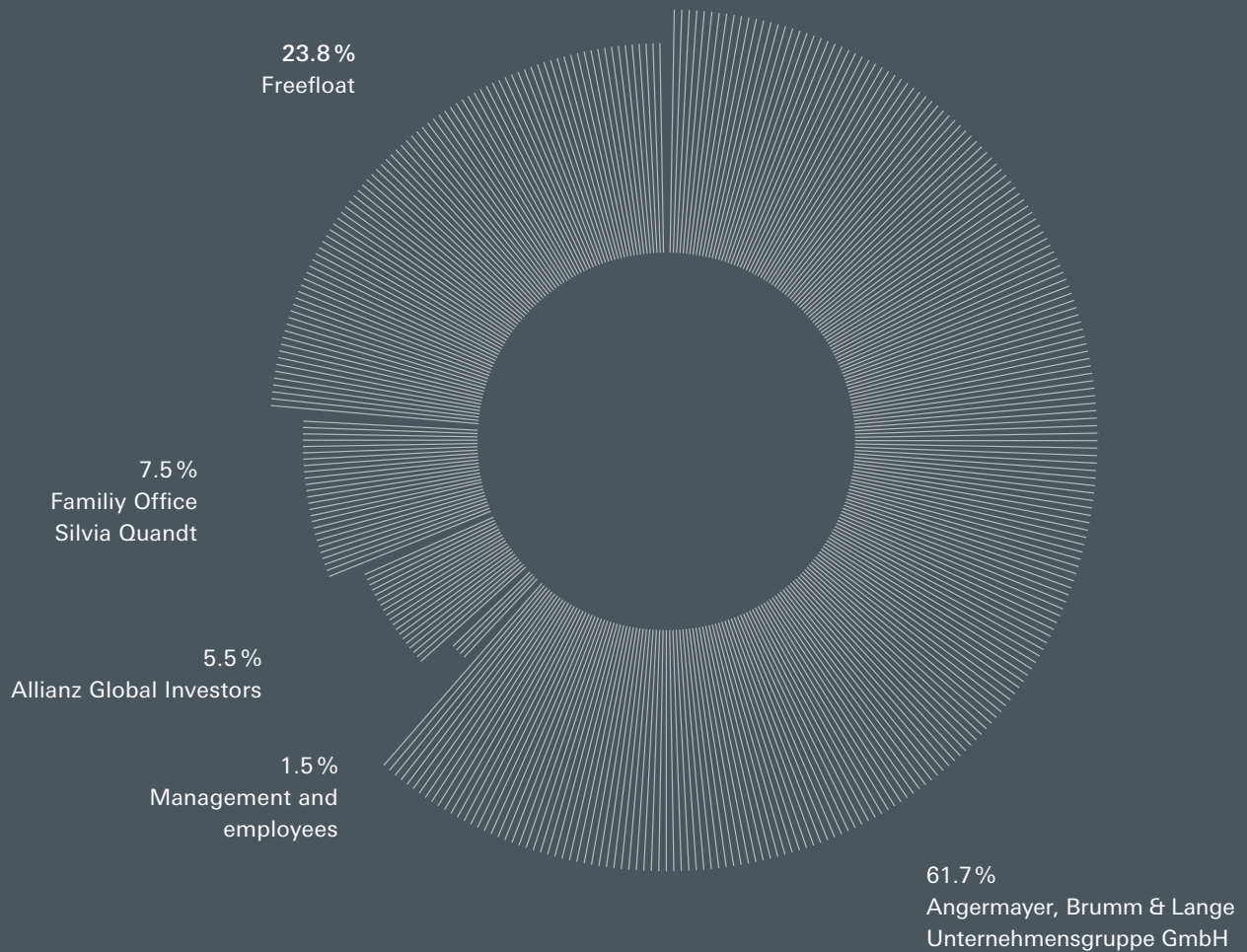
___ WKN (German security identification number)
121 806

___ Ticker symbol
A7A

___ Market capitalisation as at 31 December 2008
77 Mio. Euro

___ Designated Sponsor
Close Brothers Seydler AG

Shareholder structure



Angermayer, Brumm & Lange Unternehmensgruppe GmbH (www.abl-group.de) is the majority shareholder with approximately 62 percent of the shares. These shares are in turn held as the personal assets of its five partners, Christian Angermayer, Peter Brumm, Andreas Lange, Ralph Konrad and Dr. Sebastian Grabmaier.

Aside from the free float, the major Altira AG shareholders are the Silvia Quandt family, a family branch of the Herbert Quandt heirs, Allianz Global Investors as well as executives and employees of Altira.

SUPERVISORY BOARD REPORT

In financial year 2008, the Supervisory Board of Altira AG fulfilled its advisory and supervisory responsibilities in close and trusting cooperation with the Management Board

During the financial year, the members of the Supervisory Board had continuous contact with the Chairman of the Management Board, including contact outside of the regular Supervisory Board meetings, obtained information on the course of business and significant events, and consulted with the Chairman and other members of the Management Board. Important decisions were discussed directly and at an early stage.

When needed, the Chairman of the Supervisory Board informed the other members of the Supervisory Board of important issues via email or telephone, obtained their opinions when necessary, and included them in the ongoing work of the Supervisory Board.

The Management Board kept the Supervisory Board regularly informed both in written and verbal form, in a timely and comprehensive manner on all important aspects of business planning and strategic and ongoing development of business.

All matters requiring approval were submitted in a timely fashion by the Management Board to the Supervisory Board for its decision. The approvals were granted following a detailed examination of the documents and, when necessary, additional explanations by the Management Board.

At all times, the opinions and decisions of the Supervisory Board and Management Board were successfully formed in a timely manner by mutual agreement based on in-depth, relevant information.

— Supervisory Board meetings

In financial year 2008, the Supervisory Board of Altira AG held five ordinary meetings.

The Management Board's report on the Company's position, the economic environment, changes in revenue and expenses and important transactions were discussed at the Supervisory Board meetings.

In detail, the Supervisory Board dealt with the following topics:

— Meeting of 15 February 2008

In this meeting, Michael Rieder was appointed as an additional member of the Management Board and simultaneously appointed as the Chairman of the Management Board of Altira AG.

— Meeting of 25 June 2008

The 2007 annual and consolidated financial statements were discussed and approved at the financial statement meeting of 25 June 2008. In addition, the proposal for the appropriation of profits was discussed and a dividend of EUR 0.50 per share was proposed to the ordinary

General Meeting. The other agenda items for the General Meeting were also discussed and approved. The current composition of the Supervisory Board was also discussed.

— Meeting of 26 August 2008

Following the ordinary General Meeting of the Company, which took place on the same day, the newly appointed members of the Supervisory Board met for the first time. Peter E. Merian and Axel-Günter Benkner were appointed to the Supervisory Board in place of Dr. Peter Schmidt and Gerhard Lange. In addition to the organisation of the Supervisory Board, the semi-annual report was discussed. A revision of the internal rules of procedure for the Management Board was also discussed.

— Meeting of 4 November 2008

In its meeting on 4 November 2008, the Supervisory Board discussed the position of the Company and the Group, with particular regard to the effects of the financial crisis. The financial year 2009 budget was also discussed and new rules of procedure approved for the Management Board.

— Meeting of 23 December 2008

In the meeting of 23 December 2008, final approval was given to the budget for financial year 2009.

In addition to the ordinary meetings above, on 17 November 2008 the Supervisory Board approved by means of a written circulation procedure the utilisation of the authorised capital of the Company through the issuance of 300,000 new no-par value ordinary registered shares at an issue price of EUR 16.00 per share, with exclusion of the preemption rights of existing shareholders. Preemption rights were excluded in accordance with § 5 paragraph 2 letter c of the Articles of Incorporation of the Company (capital increase of less than 10 percent of the share capital).

— Audit of the Annual and Consolidated Financial Statements

The Altira AG annual financial statements for financial year 2008 and the consolidated financial statements and Group management report for financial year 2008 prepared by the Management Board were audited by Verhülsdonk & Partner GmbH, Auditors and Tax Consultants, Berlin. The Supervisory Board engaged the auditors for this purpose in accordance with the resolution passed by the General Meeting of 26 August 2008.

The Altira AG consolidated financial statements were prepared in accordance with § 315a HGB on the basis of the International Financial Reporting Standards (IFRS).

The auditor issued unqualified audit opinions for the Altira AG annual financial statements and the consolidated financial statements and Group management report.

The financial statement documents and both of the auditor's reports were received by the Supervisory Board. They were examined in detail by the Supervisory Board and discussed with the auditors, who reported on the results of their audit.

The Supervisory Board agreed with the results of the audit and within the framework of its own audit, determined that it had no objections. The Supervisory Board approved the Altira AG annual financial statements, consolidated financial statements for financial year 2008 prepared by the Management Board. The Altira AG financial statements have therefore been formally approved in accordance with § 172 AktG (German Companies Act).

— **Audit of the Management Board report on dealings with affiliated companies**

The report on dealings with affiliated companies prepared by the Management Board (Subordinate Status Report) in accordance with § 312 AktG for financial year 2008 was submitted to the Supervisory Board together with the auditor's report in this regard.

The auditor reviewed the Subordinate Status Report and issued the following unqualified audit opinion in accordance with § 313 AktG:

Based on the results of our audit, we have issued the following unqualified audit opinion for the Management Board Subordinate Status Report for the financial year from 1 January to 31 December 2008:

After our audit and assessment performed as required by law, we certify that

1. the actual information disclosed in the report is correct,
2. the legal transactions and agreements listed in the report were not detrimental to the Company,
3. no circumstances exist with respect to the measures listed in the report that would imply an assessment differing materially from that provided by the Management Board.

The Supervisory Board performed its own review of the Management Board Subordinate Status Report in accordance with § 312 AktG with respect to dealings with affiliated companies during the period from 1 January to 31 December 2008, and its own review of the auditor's report. The Supervisory Board was convinced the auditor's report – and the actual audit performed by the auditors – complies with legal requirements. The Supervisory Board examined the Subordinate Status Report, in particular, for completeness and accuracy and verified that the group of affiliated companies was determined with due care and the necessary precautions were taken in ascertaining the reportable transactions, legal transactions and measures. This review did not provide any grounds for objections to the Subordinate Status Report. The final results of the Supervisory Board's audit did not provide cause for objections to the final declaration of the Management Board and agree with the results of the audit performed by the auditor.

— Changes in the composition of the Supervisory Board

Supervisory Board members Dr. Peter Schmidt and Gerhard Lange resigned their positions in the Supervisory Board effective the end of the General Meeting of 26 August 2008. I would like to thank the members for their many years of successful cooperation on the Board. The two Supervisory Board members were at all times dedicated, adding constructively to the discussions and the decision-making and made important contributions to the development of the Company. Upon the resignations of Dr. Schmidt and Gerhard Lange, Axel-Günter Benkner and Peter E. Merian were elected members of the Supervisory Board by the General Meeting of 26 August 2008.

The Supervisory Board thanks the Management Board and all Altira AG employees for their dedication and successful work in the financial year just ended. Without their efforts the financial crisis would surely not have had such a moderate impact on the Altira Group.

Frankfurt am Main, May 2009
On behalf of the Supervisory Board

Robert Depner
(Chairman of the Supervisory Board)

Members of Supervisory Board



— Robert Depner

Robert Depner has over 30 years of banking and asset management experience. He started his banking career at Dresdner Bank in Cologne. His next position was with Bankhaus Marcard Stein & Co., where he was an assistant department manager responsible for bond trading and foreign stock markets. He also worked at Merrill Lynch in New York, and Société Generale-Elsässische Bank in Cologne. There he was the Head of the Securities Department and the branch office at the Düsseldorf stock exchange. Mr. Depner's career then led him to the position of managing partner in a private asset management company where he was responsible for acquisitions and providing advisory services to private clients and institutional investors. In 1983, he moved to a private bank in Cologne, where he was initially an executive manager but became a managing general partner in 1986. Mr. Depner has been a member of the management board of VCH Vermögensverwaltung AG since 1991.

— Axel-Günter Benkner

In 1990, Axel-Günter Benkner began working as a portfolio manager with DWS, the asset management company of Deutsche Bank AG, and was appointed managing director in 1990. From 2002 to 2007, Mr. Benkner was a member of the management board of Bundesverband Investment und Asset Management e.V. (BVI). In 2003, he became the management spokesman of DWS Investment GmbH, in 2005 he became global head of securities funds business and member of the Management Committee Germany of Deutsche Bank. Since 2006, Axel-Günter Benkner has been particularly involved in charity and music projects, thus fulfilling his life-long dream.

— Peter E. Merian

Peter E. Merian started working for the Swiss private Bank Sarasin in 1988 and became a partner in 1989. Initially, he managed the private banking department in Basel. From 1994 until September 2006 he was Chairman of the Management Board and Chief Executive Officer. Peter E. Merian is a member of the board of directors of National Zeitung and Basler Nachrichten AG as well as Nationale Suisse. He is also involved with numerous public bodies, foundations, societies, associations and commissions (e.g. President of the Admissions Board of the SWX Swiss Exchange since 1996).

GROUP MANAGEMENT REPORT 2008

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1. BUSINESS AND MARKET CONDITIONS

The Altira Group is an independent German asset management company focusing on alternative investment strategies for institutional and private investors.

Our investment approaches concentrate on newly developing future markets and regions with above-average growth opportunities as well as established markets undergoing major structural changes. With their specialised knowledge and many years of experience, our investment teams aim to generate a sustained above-average risk/return profile ("alpha" strategies) in these markets by using an active investment approach.

Realisation in the form of concrete investment products is handled by the Altira Group's focused, independent investment teams. While investment decisions are made independently in the investment teams, all of the investment teams draw upon a common, central institutional infrastructure.

The institutional infrastructure primarily provides services in the distribution/product management, risk management/controlling, marketing/public relations, legal, human resources and IT areas. Consequently, the individual investment teams are embedded in an overall organisational structure that can provide customers a stable, transparent product accompanied by comprehensive service. Moreover, significant economies of scale and synergy effects are created.

Market environment

For the Altira Group, general capital market performance and the performance of individual investment classes are of particular importance. Consequently, the Company found itself confronted in the financial year just ended with an environment that had changed dramatically from the previous year. The crisis, which began in 2007 as the subprime crisis in the banking sector, also began impacting the real economy in 2008. Throughout the economy, only a moderate increase in gross domestic product (GDP) could be achieved. In its report on GDP dated 14 January 2009, the German Federal Statistical Office forecasts average annual economic growth of 1.3 percent, and this due only to the moderate first half of the year.

For the financial sector, 2008 was the most difficult year in decades. The impending collapse of the global financial system was only averted through massive intervention by governments and central banks. Confidence in the stability of national and international financial markets was particularly shaken by the insolvency of a U.S. investment bank in September 2008, which propelled the previous highly volatile market environment into an accelerated downward trend. During the course of 2008, the DAX lost 40 percent of its value and a number of financial stocks lost more than 90 percent of their market capitalization.

In the private equity sector, the number of corporate transactions fell significantly compared to 2007. According to an Ernst & Young study (German Private Equity Activity December 2008), the second half of 2008 was the weakest half-year in terms of value of German private equity transactions in five years. The decrease in private equity financed transactions, particularly the larger buyouts, is predominately due to the current difficult conditions in credit

markets. According to a survey by the European Central Bank, lending policies in the banking sectors became even more restrictive in the fourth quarter of 2008. 56 percent of the institutions surveyed said they had tightened their lending policies slightly, and 9 percent even said they were increasing their requirements considerably. This affects not only large corporations, which in past quarters had already been affected by stricter lending terms. The stricter standards are also being extended to small and medium-sized companies. At the same time, 45 percent of the institutions plan to further increase their requirements for corporate loans in the first quarter of 2009. At present, there are no plans to reduce the standards. For private equity companies, including those in the small and mid cap segment, the use of high debt financing levels for company acquisitions is therefore, for the time being, limited and alternative forms of financing as well as higher levels of equity financing become more important.

The German equity market was marked by sharply falling prices and high volatilities. For this reason, the number of IPOs in Germany fell sharply. According to Deutsche Börse AG annual statistics, only 12 newly listed stocks begin trading in the Prime Standard transparency segment in 2008 (2007: 33 first quotations), with only two of the companies placing their shares by means of an initial public offering (IPO) and ten companies obtaining their listings on the Prime Standard segment by moving up from other segments. The Entry Standard segment had 16 new listings (2007: 43 companies). Five of these companies moved up from the Open Market (over-the-counter market) segment. Sharp price declines were seen across all sectors. These developments, resulting mainly from the global financial crisis, also led to record outflows from the German fund market. According to the annual statistics of Bundesverband Investment und Asset Management e.V. (BVI), the fund assets of equity funds fell by 42 percent and those of funds of funds by 13 percent. During the second half of 2008, price gains in the equities and fund markets were nearly non-existent.

Development of the Group during the financial year

Assets under management fell across all asset classes by a total of 22 percent. (Note: The assets under management majority-owned investees are fully consolidated in the total asset calculation. The assets under management by non-majority-owned investees are calculated on a pro-rata basis according to the percentage ownership interest.)

In the Private Markets division, assets under management rose from EUR 191 million in 2007 to EUR 320 million in 2008, which represents a growth rate of 68 percent. With the founding of ADC African Development Corporation, a new investment team began its work, which focuses on direct investments in the future market of sub-Saharan Africa. The investment team operates out of Altira ADC Management GmbH, which is a fully-owned subsidiary of Altira and manages a vehicle with assets under management of EUR 21 million. All of this capital was raised during financial year 2008.

During the financial year, the Public Markets segment performed in line with the market. Assets under management declined from EUR 584 million to EUR 246 million. Only 9 percent of this decline was due to an outflows of funds, while 91 percent was due to strong declines in share prices. Altira's strong retail customer base is clearly a factor here. Even though very few investors withdrew their capital from the fund, the assets under management still fell due to the price changes on international equities markets in 2008. During the financial year, the assets under management by the VCH Expert Natural Resources fund fell from EUR 295 million to EUR 100 million, which corresponds to negative performance of 66 percent. The fund-of-funds segment was also affected by the current market trends, ending the year 2008 with assets under management of EUR 105 million compared to EUR 167 million at the start of the financial year. This corresponds to a decrease of 37 percent.

In the Real Estate division, R-QUADRAT Immobilien GmbH ("R-QUADRAT"), in which the Altira Group holds a minority equity interest, manages real estate assets for private and institutional investors.

The assets under management in the Real Estate division rose slightly compared to the corresponding period in the previous year. The assets under management represent a pro rata view of the managed real estate assets of R-QUADRAT, in which Altira by way of Altira ImmoFinanz GmbH held a 22.5 percent interest as at the reporting date. Of the real estate assets under management of EUR 500 million, assets under management of EUR 113 million are therefore attributable to the Altira Group. In the amendment to the shareholders' agreement of 18 December 2008 between Altira ImmoFinanz GmbH, Altira AG and Metis Holding AG, the ownership interest of Altira ImmoFinanz GmbH was increased from 20.01 percent to 22.5 percent. The pro-rata increase in assets under management for financial year 2008 in this segment is the result thereof.

— Changes in the Management Board

Altira's divisions were redistributed upon appointment of Michael Rieder in February 2008 as the Chairman of the Management Board of Altira AG (Chief Executive Officer), who joined the existing Management Board team consisting of the company founders Christian Angermayer, Peter Brumm and Andreas Lange. Sales, product management, human resources, marketing/public relations and investor relations now fall within Mr. Rieder's area of responsibility. Christian Angermayer is responsible for the area of business development. Peter Brumm is the CFO with responsibility for finance, controlling, legal, IT and risk management. Andreas Lange continues as the Chief Investment Officer (CIO) with responsibility for the investment strategies of the Altira Group.

— C-QUADRAT

The sale of the interest in the Austrian fund-of-funds provider C-QUADRAT Investment AG generated sales proceeds of EUR 3.6 million in the financial year just ended. The sale was based on a decision made in the financial year 2007 that this position of just under 5 percent no longer had any strategic relevance.

— Equity interests in vehicles

The Altira Group held the following equity interests as of the balance sheet date:

Equity interests in vehicles

Company	Share capital in EURk	Equity interest in %
Altira ImmoFinanz GmbH, Frankfurt am Main ¹	25	100.00
Altira CFC Management GmbH, Dortmund	25	75.00
Altira ecolutions Management GmbH, Frankfurt am Main	100	100.00
Patriarch Multi-Manager GmbH, Frankfurt am Main	250	100.00
Altira Heliad Management GmbH, Frankfurt am Main	25	100.00
VCH Investment Group AG, Frankfurt am Main	650	100.00
Greenland Management GmbH, Frankfurt am Main	25	50.20
Altira TIG Management GmbH	25	100.00
Altira ADC Management GmbH	25	100.00
Clearsight Investment AG	CHF 100k	40.00

1) Intermediate holding company for the 22.5 percent interest in R-QUADRAT Immobilien GmbH, Vienna

Interests in Altira products (vehicles)

Company	Share capital in EURk	Equity interest in %
ADC African Development Corporation GmbH & Co. KGaA	14,429	9.70
CFC Industriebeteiligungen GmbH & Co. KGaA	6,435	3.73
ecolutions GmbH & Co. KGaA	28,400	10.50
Heliad Equity Partners GmbH & Co. KGaA	70,000	10.70
TIG Themis Industries Group GmbH & Co. KGaA	5,332	3.80
Squadra Immobilien GmbH & Co. KGaA	25,100	17.93
Greenland Real Investments GmbH & Co. KGaA	50	50.00

2. RESULTS OF OPERATIONS

Operating income as the sum of revenue (EUR 18.0 million, previous year: EUR 27.7 million) and other operating income (EUR 3.6 million, previous year: EUR 5.9 million) fell from EUR 33.6 million to EUR 21.6 million. This corresponds to a decrease of around 36 percent. The Private Markets division contributed revenue of EUR 9.0 million (previous year: 7.2 million) and the Public Markets division EUR 9.0 million (previous year: EUR 20.6 million). Due to the use of the equity method of accounting, the revenue from the Real Estate division has not been presented. In addition to the operating income, a gain of around EUR 3.6 million was generated from the sale of securities and EUR 0.4 million in income from equity investments.

As of the balance sheet reporting date, these revenues were offset by the cost of purchased services of EUR 4.6 million (previous year: EUR 12.0 million), personnel expenses of EUR 7.7 million (previous year: EUR 7.2 million), write-downs of investments and securities of EUR 7.5 million (previous year: EUR 0.9 million), depreciation, amortisation and write-downs of property, plant and equipment and intangible assets of EUR 0.3 million (previous year: EUR 0.3 million) and other operating expenses of EUR 7.7 million (previous year: EUR 5.2 million). The cost of purchased services primarily relates to expenses for commissions paid to third parties by the Public Markets division.

EBITDA was EUR 5.5 million (previous year: EUR 12.7 million). The earnings before tax (EBT) were EUR -1.2 million (previous year: EUR 12.3 million) as at the balance sheet date. Earnings after tax were EUR -2.4 million (previous year: 9.6 million). The decrease in earnings is primarily due to the EUR 6.7 million increase in write-downs of investments and securities, the EUR 2.5 million increase in other operating expenses, the decrease of EUR 2.3 million in other operating income, and the reduction in income from equity investments of 1.5 million. On the other hand, the gain from the sale of securities and investments rose from EUR 1.4 million in the previous year to EUR 3.6 million in the reporting year. The EUR 9.7 million reduction in revenue is offset by a EUR 7.4 million decrease in the cost of purchased services.

3. FINANCIAL POSITION

The cash flow statement shows how the net cash flows were produced by cash inflows and outflows during the reporting period.

Cash and cash equivalents were EUR 22.9 million at the end of the year (previous year: EUR 24.7 million). The large increase in cash and cash equivalents is due to the cash inflow from operating activities of EUR –6.2 million and the cash inflow from financing activities of EUR 2.4 million. These cash inflows were partially offset by a cash outflow from investing activities of EUR 2.1 million.

The cash inflow from financing activities is due to the EUR 4.8 million inflow of funds from the capital increase performed in the fall of 2008. EUR 300k in capital increase costs were incurred. In addition, dividends were paid amounting to EUR 2.1 million.

4. NET ASSETS

The Altira Group's non-current assets of EUR 23.3 million as at 31 December 2008 (previous year: EUR 38.2 million) consist primarily of investments (EUR 21.1 million), plant and office equipment (EUR 0.8 million), deferred tax assets (EUR 0.4 million) and intangible assets, including goodwill resulting from the consolidation (EUR 1.0 million).

The Group's current assets of EUR 37.8 million (previous year: EUR 41.3 million) relate mainly to bank balances (EUR 22.9 million), receivables and other assets (EUR 11.4 million) and securities classified as current assets (EUR 3.5 million).

Total assets decreased from EUR 79.5 million as at 31 December 2007 to EUR 61.2 million as at 31 December 2008. This decrease is mainly due to impairment of investments and securities.

The equity ratio is 80.1 percent (previous year: 73.0 percent). There are no significant liabilities to banks.

5. EVENTS AFTER THE BALANCE SHEET DATE

No material events occurred after the balance sheet date.

6. RISK REPORT

Performance of the Group companies

The financial success of the Altira Group is primarily determined by the performance of the companies in the Group. Due to the Company's broad-based positioning across a variety of asset classes, the Group has been able to significantly reduce its dependence on individual areas over the last several years. Nonetheless, the overall success of the Group will naturally continue to be marked by the sustainability of the performance of the individual companies in the future. The future success of the Altira Group will also be significantly determined by investments in new investment teams and their products (vehicles). As a rule, every new investment comes with special opportunities as well as special risks, as a lack of past experience often makes future performance difficult to forecast. As a major investment of personnel and investment resources is generally necessary, the time when an investment is made is precisely the time of greatest risk. These investments are intended to ensure continued strong growth for the Company but can also represent a higher-than-average burden on earnings, particularly since the investment amounts have grown considerably over time with the growth of the Altira Group.

Capital market risk

In fulfilling shareholder and management expectations with respect to the achievement of growth targets, probably the most significant risk facing the Group and Group companies (indirectly via their equity investments) comes from changes in the overall economic environment, and in the capital market as a whole and the submarkets where Altira is represented by its investment teams and the investment products (vehicles) they have initiated.

A significant portion of the Altira Group's investment assets is invested in listed vehicles created by Group companies, so that negative changes in the share prices of these securities could have a direct, negative impact on the Company's income statement.

Furthermore, some of the Group's revenues are directly related to the performance of the investment vehicles being managed or advised, since performance-linked fees are generally paid only when absolute performance is positive (and historical highs, termed "high-water marks" are simultaneously reached), such that it consequently is also possible for such fees to be completely lacking for a long period of time.

Since Altira receives management fees via its majority-owned investments that come, among other things, from listed investment vehicles, in a negative capital market environment it might be impossible for the vehicles in question to grow for lengthy period of time, which would mean that the revenues of the Altira Group would also be unable to grow.

To sum up, there are a variety of ways in which capital market performance could have a significant and cumulative adverse impact on consolidated net income.

Product risk

In addition to general capital market risk, to which all Altira companies are basically exposed, each individual business area is also dependent on the performance of its products relative to the competition and its access to potential investors. If a product shows negative relative performance, there is a high risk that the assets under management for this product could decrease significantly, possibly requiring the product to be removed from the market. As an asset manager, the Altira Group receives its income from the assets entrusted to it, and this could lead to significant reductions in income. In addition, it is also possible for liability risks to arise in some cases where products are unable to fulfil investor expectations.

Special market risk

The management of the Altira Group strives to create products in markets with special opportunities where the performance potential is based on inefficiencies in these markets. Some examples of this are the investments in climate protection projects in China and India (ecolutions) or private equity investments in Africa (ADC African Development Corporation). These and other important business activities of the Altira Group are thus taking place in countries and markets subject to unquantifiable risks such as the risk of political instability. For the investments made in sub-Saharan Africa, an agreement was entered into on 5 February 2009 with the Mutual Investment Guarantee Agency ("MIGA"), a subsidiary the World Bank, to cover the risk of political instability as well as other non-operational risks.

The management of the Altira Group is proceeding on the assumption that there are long-term growth opportunities in these markets that may, however, not be possible to realise. Hence, the investments made may be exposed to the risk of total loss and, in addition to its own investment in the product in question, the Altira Group would also lose the income from management of the product and would suffer risks to its reputation.

Company dependence on key individuals

Successful management of the Group companies depends to a great extent on a number of key individuals. Above-average expertise and a well-developed network create a foundation for success, particularly in asset management. The Company's core team, which has developed its business operations over many years, possesses the required expertise and the network of contacts necessary for success. Altira's future success is therefore highly dependent on these individuals.

Operational risks

The operational risk from the business activity of the Group's parent company is mainly concentrated on the ability to obtain timely, meaningful information on the Group companies and the products managed, so as to make it possible for unexpected potential risks to be identified at an early stage. The Management Board has taken steps to guard against this risk by implementing a suitable controlling system. Many operational risks also exist in individual Group companies, which operate independently in a variety of business areas. Significant risks also exist in terms of uncertainty regarding the general tax framework, as changes to administrative practice are being discussed for many relevant tax laws. For instance, a variety of court proceedings have been brought over last few years in the area of value-added tax, the results of which, in a worst-case scenario for the Altira Group, could have a significantly adverse effect on its results of operations.

Several court decisions are also expected over the next few years in the areas of corporate income tax and trade tax which could possibly have a negative impact on the Company. The particular problem here is the possible retroactive effect of these potential changes, since it is not always a question of changes in the law but, in some cases, also concerns the interpretation of existing laws.

The Group has, in the meantime, grown in size and capital strength, giving it the financial and human resources to directly address the above opportunities and risks, and to profit accordingly from opportunities and to avoid risks as best as possible. Even taking into account the risks to which the Altira Group is exposed, the Management Board is confident that the Altira Group will continue its positive development over the long-term.

Risk management

The Altira Group risk management system identifies and avoids, or limits, the significant risks resulting from the Group's business operations. The risk management system also assists in the identification and exploitation of opportunities, thereby contributing to the further development and greater success of the Group.

The risks were assigned systematically to three risk groups:

1. Strategic risks

- Changes in the capital market environment, which represents the underlying commercial foundation for a corporate group operating in the asset management area
- Market environment and positioning of the competition
- Human resources

2. Financial risks

- Price change risks (possible negative performance of securities and equity investments held in the portfolio and performance of vehicles managed by the investment teams)
- Liquidity risk
- Legal risks
- Risks due to changes in tax law

3. Operational risks

- Financial accounting and controlling
- Cash flows
- IT security

For each area of potential risk, risk management consists of early risk identification, information and communication, as well as risk response in the form of determination and implementation of the appropriate countermeasures.

Price change risks mainly result from potential negative changes in the capital market as a whole as well as in the performance of individual shares and in the fair values of equity investments and securities held in the Company's own portfolio and its managed portfolios. In individual cases, Altira manages these price risks by entering into hedge transactions. In financial year 2008, in order to hedge against market and currency risks in equity markets subject to increased fluctuations, particularly in emerging countries, index futures were sold and currency forward sales were entered into. Leverage certificates were also used at times to hedge in the mutual fund area.

7. OPPORTUNITIES AND RISKS OF FUTURE DEVELOPMENT

The Management Board is planning on a further significant expansion of the Company's business activities in the coming years as well. The growth being sought spans all areas of the business. Experience has shown, however, that the financial sector performs cyclically, such that growth must ultimately focus on those individual areas ready for market acceptance at any particular time.

Due to the financial crisis and the equities market slump in 2008, the nervousness of the capital markets and the frustration of investors dominate in the Public Markets area, meaning that the general equities fund business is likely to have several difficult years ahead. In addition to this general capital market risk, however, special situations also offer special opportunities at the present moment. For example, the private pensions market remains one of the major growth markets in Germany, since people no longer want to rely solely on government pensions. The percentage share represented by private and company pension schemes should therefore increase significantly in coming years, thereby supplying the asset management market with additional liquidity. Within the Altira Group, this will benefit the Patriarch investment team in particular, which is targeting the market for private asset accumulation and old-age pensions with its fund of funds products.

Independent of the capital market risk indicated above, new asset classes regularly emerge and some asset classes grow significantly faster than the market average. It is precisely in the "future markets" area that the Altira Group intends to profit from such above average growth potential. It was as a result of these considerations, for example, that the Altira Group entered the market for climate protection investments and private equity investments in Africa. After successfully establishing these investment teams, we are now in further investment phases. Therefore, there are plans for these investment teams' vehicles to attract new investment funding, which would thereby also increase the Altira Group's assets under management.

In general, there is great interest in the market, particularly for our investment approaches in "future markets". Each individual fundraising effort however also depends on the market sentiment at the time of the fundraising as well as the competitive situation and other factors. Hence there is a risk that the growth targets may not be reached, in particular due to the current capital market situation. In the medium-term, the risk also exists with these strategies – as it generally does for all asset classes – that the general investing framework, such as, e.g. price levels or the availability of investment opportunities, may become even worse, thereby also acting to limiting growth or making it completely impossible.

The long-term success of investments in projects generating climate protection certificates is also conditional on the conclusion of a successor agreement to the Kyoto protocol. In addition, particularly in Africa but in Asia as well, success is also dependent on the respective political situation.

Altira's Management Board is aware of these risks – but even so, due to the outstanding opportunities, the Company feels there is a highly attractive risk/reward profile in these markets. All things considered, future markets are precisely where the Management Board anticipates a significant increase in assets under management and the associated revenues from management fees in coming years.

Along with the continued development of existing investment strategies, the Management Board is also focusing on realising acquisition opportunities. Various options are currently being reviewed and could contribute to further growth in 2009. The Altira Group is excellently positioned in this regard, in particular due to its high liquidity holdings and the large drop in price levels.

To sum up, weighing all of the opportunities and risks of future development, the Management Board feels that the Altira Group is on the right path to grow over the next three to five years, both through organic growth as well as through acquisitions, into one of the largest independent asset managers in Germany.

8. SUBORDINATE STATUS REPORT

Angermayer, Brumm & Lange Unternehmensgruppe GmbH, with registered office in Wiesau, holds more than 50 percent of the share capital of our Company.

In accordance with § 312 AktG (German Companies Act), the Management Board has therefore prepared a report on relationships with affiliated companies for financial year 2008. This report concludes with the following declaration by the Management Board:

“The Company has not been adversely affected by contracts with the controlling company or its affiliates.”

Frankfurt am Main, May 2009

Michael Rieder Peter Brumm Andreas Lange Christian Angermayer

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CONSOLIDATED INCOME STATEMENT

in EURk	Notes	2008	2007
Revenue	6.1	17,975	27,726
Proceeds from sale of securities and financial assets	6.2	7,131	6,612
Other operating income	6.3	3,569	5,941
Book value of disposed securities and financial assets	6.4	-3,539	-5,169
Cost of purchased services	6.5	-4,590	-11,970
Personnel expenses	6.6	-7,685	-7,185
Other operating expenses	6.7	-7,679	-5,197
Income from equity investments	6.8	363	1,902
Write-downs of financial assets and securities	6.9	-7,543	-876
Depreciation, amortisation and write-downs of property, plant and equipment, and intangible assets	6.10	-319	-261
Operating Income		-2,317	11,523
Interest and similar income	6.11	1,244	875
Interest and similar expenses		-91	-65
Earnings before tax		-1,164	12,333
Taxes	6.12	-1,127	-2,702
Earnings after tax		-2,291	9,631
Minority interest		-106	-43
Profit attributable to shareholders of the parent company		-2,397	9,588
Diluted and basic earnings per share in EUR	8.3	-0.56	2.39

SEGMENT REPORTING

in EURk	Holding Company	
	2008	2007
Sales revenue	0	0
Cost allocations by Holding Company segment	2,829	2,653
Cost allocations by Public Markets segment	0	0
Proceeds from sale of securities and financial assets	7,016	5,591
Revaluation of securities and financial assets	2,050	4,833
Miscellaneous other operating income	330	355
Book value of disposed securities and financial assets	-3,400	-4,082
Cost of purchased services	-278	0
Personnel expenses	-2,999	-3,396
Other operating expenses	-3,408	-1,665
Net income/loss from investments in associated companies	-1,445	-162
Current income from equity investments	2	180
EBITDA	697	4,307
Write-downs of securities and other financial assets	-5,871	-765
Depreciation, amortisation and write-downs of property, plant and equipment, and intangible assets	-86	-57
EBIT	-5,260	3,485
Interest and similar income	714	480
Interest and similar expenses	3	-14
EBT	-4,543	3,951
Taxes on income	96	100
Net profit/loss	-4,447	4,051
Minority interest	0	5
Net profit/loss after minority interest	-4,447	4,056
Shares in associated companies	14	836
Total segment assets	42,249	52,306

	Private Markets		Public Markets		Real Estate		Total	
	2008	2007	2008	2007	2008	2007	2008	2007
	8,969	7,165	9,006	20,561	0	0	17,975	27,726
	-987	-765	-1,710	-1,796	-132	-92	0	0
	-230	0	230	0	0	0	0	0
	0	968	115	53	0	0	7,131	6,612
	38	0	517	595	0	0	2,605	5,428
	256	53	379	105	0	0	965	513
	0	-1,003	-139	-84	0	0	-3,539	-5,169
	-627	-972	-3,685	-10,998	0	0	-4,590	-11,970
	-3,402	-1,941	-1,284	-1,848	0	0	-7,685	-7,185
	-2,161	-1,255	-1,995	-2,187	-115	-90	-7,679	-5,197
	0	0	0	0	1,805	1,761	360	1,599
	0	0	1	2	0	121	3	303
	1,856	2,250	1,435	4,403	1,558	1,700	5,546	12,660
	-32	-11	-1,640	-100	0	0	-7,543	-876
	-66	-25	-168	-179	0	0	-320	-261
	1,758	2,214	-373	4,124	1,558	1,700	-2,317	11,523
	294	244	227	151	9	0	1,244	875
	-91	-9	-3	-27	0	-15	-91	-65
	1,961	2,449	-149	4,248	1,567	1,685	-1,164	12,333
	-808	-1,004	-408	-1,798	-7	0	-1,127	-2,702
	1,153	1,445	-557	2,450	1,560	1,685	-2,291	9,631
	-120	-49	-18	-2	32	3	-106	-43
	1,033	1,396	-575	2,448	1,592	1,688	-2,397	9,588
	0	0	0	0	3,001	2,827	3,015	3,663
	4,531	7,666	9,996	16,661	4,646	2,857	61,422	79,490

CONSOLIDATED BALANCE SHEET

Assets

in EURk	Notes	31/12/2008	31/12/2007
Non-current assets			
Intangible assets incl. Goodwill	7.1/7.2	1,047	1,199
Property, plant and equipment	7.1	789	506
Financial assets	7.3	21,130	35,826
Deferred tax assets	7.4	366	699
Total non-current assets		23,332	38,230
Current assets			
Securities	7.5	3,478	5,572
Trade receivables	7.6	3,220	5,158
Receivables from companies in which an equity interest is held	7.6	914	272
Other assets	7.6	7,338	5,521
Bank deposits	7.7	22,877	24,737
Total current liabilities		37,827	41,260
Total assets		61,159	79,490

Equity and Liabilities

in EURk	Notes	31/12/2008	31/12/2007
Equity			
Subscribed capital	7.8	4,539	4,239
Capital reserves	7.8	34,597	30,362
Retained earnings	7.8	16,154	20,690
Revaluation reserve	7.8	-6,403	2,754
Equity components attributable to shareholders		48,887	58,045
Minority interest	7.8	117	-7
Total equity		49,004	58,038
Non-current liabilities			
Deferred tax liabilities	7.4	268	365
Total non-current liabilities		268	365
Current liabilities			
Provisions for taxes	7.9	1,420	4,218
Other provisions	7.9	6,256	8,485
Liabilities to banks	7.10	6	206
Trade payables	7.10	2,100	5,188
Other liabilities	7.10	2,105	2,990
Total current liabilities		11,887	21,087
Total equity and liabilities		61,159	79,490

CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January to 31 December 2008

in EURk		Note	2008	2007
1.	Net income before minority interest		-2,291	9,631
2.	- Less proceeds from the sale of securities and investments	6.2	-7,131	-6,612
3.	+ Write-downs of securities and investments	6.9	7,544	876
4.	+ Depreciation, amortisation and write-downs of property, plant and equipment and intangible assets	6.10	319	261
5.	- Write-ups of securities and investments	6.3	-2,606	-5,428
6.	-/+ Net income/loss from investments in associated companies	6.8	-360	-1,599
7.	+ Book value of disposed securities and investments	6.4	3,539	5,169
8.	+ Change in revaluation reserve due to provisions	7.8	741	505
9.	+/- Other non-cash expenses/income		1,719	-201
10.	+/- Increase/decrease in provisions	7.9	-5,027	4,342
11.	-/+ Increase/decrease in receivables and other assets	7.6/7.4	-521	-4,156
12.	+ Reclassification of loaned securities as receivables		2,000	0
13.	+/- Increase/decrease in payables and other liabilities	7.10	-4,173	2,550
14.	= Cash flow from operating activities		-6,247	5,338
15.	- Payments to acquire property, plant and equipment and intangible assets	1	-736	-326
16.	- Payments to acquire subsidiaries	1	0	-250
17.	- Payments to acquire investments	1	-2,598	-19,501
18.	- Payments to acquire current securities	7.5	-2,036	-4,704
19.	+ Proceeds from the sale of securities and investments	6.2	7,131	6,612
20.	+ Cash proceeds from purchase price refund associated companies		365	0
21.	= Cash flow from investing activities		2,126	-18,169

1) Statement of Changes in Fixed Assets

for the period from 1 January to 31 December 2008

in EURk		Note	2008	2007
22.	+ Cash proceeds from capital increases	7.8	4,800	30,324
23.	- Payments for capital increases (costs of capital increase)	7.8	-265	-916
24.	- Distributions		-2,119	0
25.	= Cash flow from financing activities		2,416	29,408
26.	- Change in cash and cash equivalents (sum of lines 14, 21 and 25)		-1,705	16,577
27.	- Effects of changes in the reporting entity	3.	-155	21
28.	+ Cash and cash equivalents at the beginning of the period		24,737	8,139
29.	= Cash and cash equivalents at the end of the period	7.7/8.1	22,877	24,737

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EURk	Subscribed capital	Capital reserve
As at 01/01/2008	4,239	30,362
Capital increase against contributions	300	4,500
Capital procurement expenses		-265
Change in the revaluation reserve		
Distribution		
Change in foreign currency translation differences		
Net income for the year		
Decrease in minority interest		
As at 31/12/2008	4,539	34,597
As at 01/01/2007	3,479	1,714
Capital increase against contributions	760	29,564
Capital procurement expenses		-916
Change in the revaluation reserve		
Change in foreign currency translation differences		
Net income for the year		
Decrease in minority interest		
As at 31/12/2007	4,239	30,362

	Revaluation reserve	Retained earnings	Foreign currency translation differences	Net income for the year attributable to the shareholders of the Company	Equity components attributable to the shareholders of the Company	Minority interest	Total equity
	2,754	20,689	1	0	58,045	-7	58,038
					4,800		4,800
					-265		-265
	-9,157				-9,157		-9,157
		-2,119			-2,119		-2,119
			-20		-20		-20
				-2,397	-2,397	106	-2,291
						18	18
	-6,403	18,570	-19	-2,397	48,887	117	49,004
	5,584	11,101	0	0	21,878	125	22,003
					30,324		30,324
					-916		-916
	-2,830				-2,830		-2,830
			1		1		1
				9,588	9,588	43	9,631
						-175	-175
	2,754	11,101	1	9,588	58,045	-7	58,038

ALTIRA AKTIENGESELLSCHAFT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

in accordance with International Financial Reporting Standards (IFRS) as at 31 December 2008

1. The Company

The registered headquarters of Altira Aktiengesellschaft (hereinafter "Altira AG" or the "Company") are located at Grüneburgweg 18, Frankfurt am Main.

Altira AG is registered in the Commercial Register of the District Court of Frankfurt am Main under number HR-B 58865.

According to the Articles of Association, the object of Altira AG is the acquisition, management and disposal of shares or equity interests of all types, for which no special legal authorisation is required. The companies of the Altira Group manage funds invested by institutional investors in the Private Markets, Public Markets and Real Estate divisions.

Altira AG is listed on the Open Market of the Frankfurt Stock Exchange where it is included in the Entry Standard segment.

2. Basis of preparation of the consolidated financial statements

The present consolidated financial statements of Altira AG as at 31 December 2008 were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and their interpretations by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union. All International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and of the Standing Interpretations Committee (SIC) which were mandatory for the period of preparation of the consolidated financial statements were observed.

Since the financial statements as at 31 December 2007, the IASB and the IFRIC have adopted a series of amendments to existing standards and a number of new IFRS and IFRIC that have been mandatory since 1 January 2008. This relates in particular to the following standards:

- IFRS 7, IAS 39 – Changes to the Reclassification of Financial Instruments
- IAS 29 (R) – Financial Reporting in Hyperinflationary Economies
- IFRIC 11, IFRS 2 – Group and Treasury Share Transactions
- IFRIC 12 – Service Concession Arrangements
- IFRIC 13 – Customer Loyalty Programmes
- IFRIC 16, IAS 21, IAS 39 – Hedges of a Net Investment in a Foreign Operation

The amended and new IFRS, which have been mandatory since 1 January 2008, do not materially affect the financial statements as at 31 December 2008.

The IASB and the IFRIC adopted further standards and interpretations, which are not yet mandatory for the 2008 financial year. The application of these IFRS is dependent upon recognition by the EU, which is still partially outstanding. This relates in particular to the following standards:

- IFRS 1 (R) – First-Time Adoption of International Financial Reporting Standards
- IFRS 2 (R) – Share-based Payment
- IFRS 3 (R) – Business Combinations
- IFRS 8 – Operating Segments
- IAS 1 (R) – Presentation of Financial Statements
- IAS 23 (R) – Borrowing Costs
- IAS 27 (R) – Consolidated and Separate IFRS Financial Statements
- IAS 28 (R) – Investments in Associates
- IAS 31 (R) – Interests in Joint Ventures
- IAS 32 (R) – Financial Instruments: Disclosure and Presentation
- IAS 39 (R) – Financial Instruments: Recognition and Measurement
- IFRIC 14, IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements, and their Interaction
- IFRIC 15, IAS 11, IAS 18 – Agreements for the Construction of Real Estate
- IFRIC 17 – Distributions of Non-cash Assets to Owners
- IFRIC 18 – Transfers of Assets from Customers
- Improvements to IFRS – Changes to recognition, measurement and presentation as well as editorial changes to the 20 IFRS standards

The provisions of IFRS 8 have been applied in the present financial statements. In the present financial statements, no use is made of the possibility of early adoption of additional standards or interpretations adopted on 31 December 2008.

With the exception of the presentation of given information, the future application of the new standards and interpretations is not expected to materially affect the financial statements.

Altira AG is not a parent company within the meaning of § 315a paragraphs 1 or 2 of the German Commercial Code (HGB) that is obligated to prepare IFRS consolidated financial statements. Altira AG prepares IFRS consolidated financial statements voluntarily pursuant to § 315a paragraph 3 HGB (German Commercial Code). Due regard is given to the additional provisions of German commercial law which must be observed in accordance with § 315a paragraph 1 HGB.

No claims or obligations exist vis-à-vis third parties except for the assets, liabilities, contingent liabilities and other financial obligations disclosed in the consolidated financial statements.

During the preparation of the consolidated financial statements in accordance with IFRS generally accepted accounting principles, estimates and assumptions have been made that affect the amount and presentation of reported assets and liabilities, disclosed contingent assets and liabilities on the balance sheet date, as well as reported income and expenses during the reporting period. Actual values may deviate from these estimates and assumptions in the end.

The consolidated financial statements include all assets and liabilities, and all income and expenses of Altira AG and the subsidiaries that it controls, after elimination of all material intercompany transactions.

The consolidated financial statements have been prepared in euro (EUR), the functional currency of the Group. Unless otherwise indicated, all amounts are rounded to the nearest thousand euro (EURk).

The income statement has been prepared using the type of expenditure format.

The consolidated financial statements were prepared by the Company and sent to the Supervisory Board on 7 May 2009. Following the Supervisory Board meeting of 15 May 2009, the Supervisory Board approved the consolidated financial statements and issued the Report of the Supervisory Board. The Supervisory Board approval released the annual financial statements for publication.

3. Reporting entity

Subsidiaries over which the parent company can exercise control are included in the reporting entity in accordance with IAS 27. According to IAS 27.4, control is the power to govern the financial and business policies of an entity so as to obtain benefits from its activities. Control can be assumed if the parent company either directly or indirectly holds a majority of the voting rights.

Company acquisitions are accounted for using the purchase method according to IFRS 3, i.e. assets, liabilities and contingent liabilities are recognised at fair value as at the time of acquisition. Differences may arise due to a difference between the acquisition cost of the company purchase and the purchaser's share of the fair value of the acquired assets, liabilities and contingent liabilities. A positive difference is recognised as goodwill in accordance with IFRS 3. A negative difference is immediately expensed, if necessary.

The annual financial statements of the companies included in the Altira AG consolidated financial statements are based on uniform accounting principles.

Please see the appendix to the Notes for a list of shareholdings and the names of all fully consolidated companies.

Altira AG established Altira ADC Management GmbH (formerly ADC African Development Management GmbH), Frankfurt am Main, on 11 February 2008, and Altira TIG Management GmbH (formerly Themis Management GmbH), Frankfurt am Main, on 21 July 2008. During formation of the companies, Altira AG contributed EUR 25k to the equity of each company.

Altira ADC Management GmbH generated revenues of EUR 449k for the reporting year and recorded a loss of EUR –281k. Altira TIG Management GmbH generated revenues of EUR 510k and recorded a profit of EUR 172k.

Altira AG sold its 51.0 percent interest in CAESAR Special Opportunities Management S.à r.l., Luxembourg, under an agreement dated 24 September 2008. CAESAR Special Opportunities Management S.à r.l., Luxembourg, has therefore been removed from the reporting entity. The de-consolidation resulted in a profit on de-consolidation of EUR 49k.

During the reporting year until the date it was removed from the reporting entity, CAESAR Special Opportunities Management S.à r.l., Luxembourg, generated revenues of EUR 388k and recorded a loss of EUR –9k.

In the previous year, CAESAR Special Opportunities Management S.à r.l. generated revenues of EUR 330k and recorded a loss of EUR –10k.

Altira AG also sold its interest in VCH Financial Services GmbH effective 1 January 2008. The de-consolidation profit was EUR 0k. The de-consolidation profit for the VCH Financial Services GmbH subgroup amounts to EUR 0k. VCH Financial Services GmbH subgroup recorded a loss of EUR 138k on revenues of EUR 167k in the 2007 financial year.

Heliad AG has its registered office in Zurich, Switzerland. The remaining subsidiaries have their registered offices in Germany.

SophistiCapital AG is not included in the full consolidation due to immateriality.

31 December is the balance sheet date for Altira AG and the companies included in the consolidated financial statements.

4. Associated companies

As a rule, shares in associated companies are accounted for in accordance with the equity method pursuant to IAS 28. An associated company is a company over which the Group has a significant influence and which is neither a subsidiary nor a joint venture of the shareholder. The equity method of accounting is based on the financial statements of the associated company prepared in accordance with uniform Group-wide accounting policies.

The shares in R-QUADRAT Immobilien GmbH, Vienna, and CAESAR Industrial Technologies S.à r.l. & Co. KGaA, Frankfurt am Main, and the shares in ClearSight Investments AG, Zurich, which were acquired during the reporting year, were measured as for associated companies accounted for using the equity method.

Upon registration in the commercial register on 20 October 2008, CAESAR Industrial Technologies S.à r.l. & Co. KGaA was transformed into a GmbH (limited liability company) with the company name CAESAR Industrial Technologies GmbH, Frankfurt am Main.

The investment in Seyes GmbH, Bayreuth, and the Greenland Real Investments GmbH & Co. KGaA were not accounted for using the equity method due to immateriality.

No further investments existed which would require accounting in accordance with the equity method.

in EURk	Assets 31/12/2008	Liabilities 31/12/2008	Revenue 2008	Net income 2008
R-QUADRAT Immobilien GmbH, Vienna ¹	20,363	7,030	1,075	614
ClearSight Investments AG, Zurich	105	67	196	- 28
	20,468	7,097	1,271	586

1) Preliminary annual financial statements

There are no financial statements available for CAESAR Industrial Technologies GmbH for the year ended 31 December 2008.

5. Significant accounting principles

— Intangible assets

Acquired intangible assets are capitalised in accordance with IAS 38 if it is probable that the use of the asset is associated with a future economic benefit and the cost of the asset can be reliably measured. Acquired intangible assets are measured at cost and are amortised over their useful life on a straight-line basis. Any necessary impairments are recognised.

In accordance with IFRS 3, in cases of company mergers goodwill is valued as the excess of acquisition costs of the investment over the acquired share of equity in the acquired company. Goodwill is tested for impairment at least once a year at the level of the cash generating unit. If impairment exists, the goodwill is written down to its recoverable amount.

— Property, plant and equipment

Property, plant and equipment are carried at cost less cumulative depreciation. Gains or losses on the disposal of non-current assets are accounted for as other operating income or expenses. Depreciation is based on ordinary useful lives.

— Investments

Securities classified as non-current assets, shares of associated companies and equity investments are reported as investments.

In accordance with IAS 39, securities classified as non-current assets are assigned to the “available-for-sale financial assets” and “financial assets measured at fair value through profit or loss” measurement categories.

Holdings of securities assigned to the “financial assets valued at fair value through profit or loss” measurement category are managed on the basis of changes in the fair value of individual securities as part of the Altira Group’s investment strategy.

In accordance with IAS 28, shares of associated companies are measured according to the equity method.

Equity investments are assigned to the “available-for-sale financial assets” measurement category.

The fair values used to measure security holdings are calculated based on stock exchange price quotations on the reporting date or transactions executed close to the reporting date.

Changes in the value of financial assets classified as “financial assets at fair value through profit or loss” are recognised through profit or loss in the income statement as “other operating income” or “write-downs of investments and securities”. There were write-ups of EUR 2,050k in the reporting year (previous year: EUR 4,782k) and impairments of EUR 2,848k (previous year: EUR 211k).

Capital gains and losses from fair value measurement of financial instruments in the “available-for-sale financial assets” category are recognised directly in equity in the revaluation reserve. There were impairments of EUR 5,179k in the reporting year (previous year: EUR 1,316k).

When the fair value of an individual unlisted investment cannot be reliably determined, it is recognised at cost unless the lower fair value measurement applies (IAS 39.46c) Cost is determined by the price on the settlement date. For disposals or establishment of sustained impairment, the corresponding gain from the disposal or expense from the write-down is included in the net income for the year.

Loans for which no fixed maturity has been agreed are recognised at cost.

___ **Deferred taxes**

Deferred taxes are accounted for according to the accounting concept which holds that deferred taxes are formed based on all recognition and measurement differences between the value in the IFRS balance sheet and the tax value. Calculations of deferred taxes are based on current tax rates applicable for the period over which the timing differences will likely cancel out.

As a rule, changes in deferred taxes are recognised in profit or loss as long as the underlying transactions are also recognised in profit or loss and not offset directly against equity.

___ **Securities**

Securities classified as current assets are assigned to the "held-for-trading" category. Changes in value are recognised in profit or loss.

___ **Receivables and other assets**

Receivables and other assets are measured at nominal value less any necessary impairment (measurement at amortised cost).

___ **Cash and cash equivalents**

The cash and cash equivalents consist of bank balances.

___ **Provisions**

Tax liabilities and provisions are recognised in accordance with IAS 37 when present legal or constructive obligations arise from a past event and it is probable that they will result in an outflow of resources, and the amount of the outflow can be reliably estimated. Long-term provisions are discounted if the discounting results in a material interest effect.

___ **Liabilities**

Liabilities are recognised at settlement value.

___ **Income and expenses**

Sales are recognised when a contract becomes effective, a price has been agreed, can be determined and whose payment can be expected. Revenues are reported less deductions such as bonuses, discounts and rebates. Income from ongoing services is realised upon provision of the service; time-dependent payments are collected on a pro-rata basis.

Proceeds from the sale of securities and investments relate to the proceeds realised from the sale of financial assets. Book value of disposed securities and investments relates to the book value of the financial assets at the time of disposal.

Other operating income also includes income from the revaluation of securities and investments. The fair values used in the revaluation of securities and investments are calculated based on stock exchange price quotations on the reporting date or transactions executed close to the reporting date.

Both current income from dividends as well as gains from the measurement of shares in associated companies are reported as income from equity investments in accordance with IAS 28. Please see the segment reports for a breakdown of the income from equity investments.

Taxes on income include current and deferred taxes.

___ Currency translation

Transactions in foreign currencies are translated to euros using the exchange rate applicable on the date of the transaction.

Assets and liabilities of Heliad Management AG, Oberwil bei Zug, Switzerland, existing as at the balance sheet date are translated into euros at the exchange rate applicable on that date. Income and expenses shown in Swiss francs are translated into the currency of presentation, the euro, at the average exchange rate. The resulting translation differences are recognised in equity with no effect on profit or loss.

___ Material assumptions and estimates

The assumptions and estimates used in preparing the consolidated financial statements are substantially related to the determination of the recoverable amount in connection with impairment tests, as well as the recognition and measurement of deferred taxes and provisions.

A revaluation of the following items in the next financial year may require major adjustments of reported assets and provisions:

in EURk

Investments	21,130
Securities	3,478
Other provisions	6,256

6. Notes to the consolidated income statement

___ 6.1 Revenue

The revenue relates to commission income, compensation payments for the assumption of management activities, as well as variable investment consulting fees.

___ 6.2 Revenue from the sale of securities and investments

Revenues from the sale of securities and financial assets relate to the following items:

in EURk	2008	2007
Revenue from the sale of non-current financial instruments		
Securities, available-for-sale	7,016	2,638
Revenue from the sale of current financial instruments		
Securities, held-for-trading	115	3,974
	7,131	6,612

— 6.3 Other operating income

The other operating income is comprised of EUR 2,605k in income from the fair value measurement of securities and investments (previous year: EUR 5,428k) and EUR 965k in miscellaneous other operating income (previous year: EUR 513k).

The income from the measurement of securities and investments includes the following items:

in EURk	2008	2007
Income from the revaluation of non-current financial instruments		
Financial assets measured at fair value through profit or loss	2,050	4,782
Income from the revaluation of current financial		
Securities, held-for-trading	555	646
	2,605	5,428

— 6.4 Book value of disposed investments and securities

The book value of disposed investments and securities relates to the following items:

in EURk	2008	2007
Non-current securities in the category of "available-for-sale financial assets"	7,771	3,185
Non-current securities in the category of "measured at fair value through profit or loss"	0	0
Current securities in the category of "held-for-trading"	139	4,001
Reversal of the revaluation reserve from the disposal of securities recognised in profit or loss	-4,371	-2,017
	3,539	5,169

The reversal of the revaluation reserve from the disposal of securities recognised through profit or loss results from the disposal of securities in the "available-for-sale financial assets" category.

___ 6.5 Expenses for purchased services

The expenses for purchased services relate primarily to expenses for investment consulting fees and sales commissions.

___ 6.6 Personnel expenses

The personnel expenses include the compensation paid to the members of the Management Board and managing directors of Group companies, and remuneration paid to employees.

The employees of the Group are insured under the statutory old-age pension scheme, with current contribution payments recognised as an expense at the time of payment. No other pension commitments exist.

in EURk	2008	2007
Wages and salaries	6,854	6,148
Social security	697	372
Other personnel expenses	134	665
	7,685	7,185

The other personnel expenses item includes the formation of a provision for the future Management Board bonus entitlement that accrues when the write-ups of investments already recognised under IFRS as at 31 December 2008 are also realised under the HGB (German Commercial Code). In addition, other personnel expenses includes EUR 103k for the formation for a provision for share-based payments.

___ 6.7 Other operating expenses

The other operating expenses are comprised of the following items:

in EURk	2008	2007
Outside services	1,667	1,896
Marketing and travel expenses	2,213	1,890
Occupancy costs	675	566
Other	3,124	845
	7,679	5,197

___ 6.8 Income from equity investments

Income from equity investments is comprised of EUR 360k (in gains from the measurement of associated companies in accordance with the equity method (IAS 28) (previous year: EUR 1,599k) and EUR 3k in current income from dividends received (previous year: EUR 303k).

___ 6.9 Write-downs of investments and securities

The write-downs of investments and securities is comprised of the following items:

in EURk	2008	2007
Write-downs of non-current financial instruments		
Financial assets measured at fair value through profit or loss	2,848	211
Write-downs of current financial instruments		
Securities, held-for-trading	4,695	665
	7,543	876

___ 6.10 Depreciation, amortisation and write-downs of property, plant and equipment and intangible assets

The depreciation, amortisation and write-downs of property, plant and equipment and intangible assets is exclusively comprised of depreciation.

___ 6.11 Interest and similar income

The interest and similar income is comprised primarily of the interest on bank balances. EUR 42k relates to interest income paid by CFC Industriebeteiligungen GmbH & Co. KGaA for a loan, and EUR 21k relates to interest income paid by TIG Themis Industries Group GmbH & Co. KGaA for the deferral of management fees.

6.12 Taxes on income

Taxes on income are comprised of current and deferred taxes. The current taxes on income correspond to the anticipated tax liability resulting from the taxable income from the current period.

in EURk	2008	2007
Effective taxes	1,239	2,676
Formation of deferred tax liabilities	878	257
Reversal of deferred tax liabilities recognised in profit or loss	-975	-231
Formation of deferred tax assets recognised in profit or loss	-15	0
	1,127	2,702

The reconciliation of the theoretically anticipated corporate tax burden with the amount actually recognised in the consolidated financial statements is performed as follows:

in EURk	2008	2007
Consolidated pre-tax profit	-1,164	12,333
Theoretical tax rate as a percentage	31.93	40.14
Theoretical tax expense	0	4,950
Adjustment of the theoretical tax expense based on:		
Tax reduction due to tax-exempt income	-2,454	-2,459
Tax increase due to non-deductible expenses	3,581	211
Taxes on income	1,127	2,702
Tax rate as a percentage	-96.8	21.90

The theoretical corporate tax rate is comprised of corporate income tax, the solidarity surcharge, and trade tax. As part of the business tax reform, the corporate income tax is being cut to 15 percent plus the solidarity surcharge as of the 2008 assessment period, while the deductibility of trade tax will be lost, and the trade tax rate will be reduced to 3.5 percent. The 460 percent tax factor applied in Frankfurt am Main therefore results in a tax burden of 31.925 percent. This percentage rate has been used to calculate deferred taxes.

7. Notes to the consolidated balance sheet

___ 7.1 Intangible assets and property, plant and equipment

The composition of the changes in intangible assets and property, plant and equipment is presented in the statement of changes in fixed assets, in the appendix to the Notes.

The intangible assets are comprised primarily of acquired software licenses. The useful life of the intangible assets and property, plant and equipment is between 3 and 20 years.

___ 7.2 Goodwill

The reported goodwill results from the initial consolidation at the time of the respective company merger. Goodwill is tested for impairment annually in accordance with IFRS 3. No write-downs were necessary due to existing impairment.

The disposals of goodwill relate to the de-consolidation of CAESAR Special Opportunities Management S.à r.l.

For the changes in book value of goodwill, please see the statement of changes in fixed assets in the appendix to the Notes.

___ 7.3 Investments

Investments are comprised of the following items:

in EURk	2008	2007
Shares in associated companies	3,015	3,663
Equity investments	135	135
Non-current securities	16,994	32,028
Loans	986	0
	21,130	35,826

The shares in associated companies are measured using the equity method, in accordance with IAS 28. Write-ups of EUR 94k (previous year: EUR 1,761k) and write-downs of EUR 1.366k (previous year: EUR 162k) were performed during the reporting year. In addition, income of EUR 1,632k was received from dividend claims and purchase price refund. The gains from the measurement of associated companies thus amounted to EUR 360k.

For equity investments measured using the equity method, please see the list of shareholdings in the appendix to the Notes.

The shares reported under equity investments are carried in the "available-for-sale financial assets" category. There were no revaluations of equity investments in the reporting period or previous year.

The non-current securities are comprised of the following holdings:

in EURk	2008	2007
Securities "measured at fair value through profit or loss"	14,442	16,525
Securities categorised as "available-for-sale financial assets"	2,552	15,503
	16,994	32,028

The net gain from the measurement of securities categorised as "measured at fair value through profit or loss" was EUR -798k as at the balance sheet date (previous year: EUR 4,571k).

Impairment of EUR 5,179k (previous year: EUR 1,316k) from the measurement of securities classified as "available-for-sale financial assets" was recognised directly in the revaluation reserve during the reporting year with no effect on profit or loss.

The disposal of non-current securities led to the following gain:

in EURk	2008	2007
Non-current securities categorised as "available-for-sale financial assets"	3,616	1,470
Non-current securities categorised as "measured at fair value through profit or loss"	0	0
	3,616	1,470

___ 7.4 Deferred tax assets and liabilities

The deferred tax assets were primarily formed due to the formation of a provision for a future Management Board bonus entitlement accruing in a future period when write-ups of investments already recognised under IFRS as at 31 December 2008 are also realised under the HGB (German Commercial Code). A tax rate of 31.925 percent was applied.

The deferred tax liabilities were formed based on write-ups of securities.

___ 7.5 Securities

The current securities are categorised as "held-for-trading".

The net gain/loss from the measurement of current securities was EUR –4,140k as at the balance sheet date (previous year: EUR –19k).

The net gain/loss from the disposal of current securities was EUR –24k (previous year: EUR –27k).

___ 7.6 Receivables and other assets

The receivables and other assets have a term of up to one year and are carried at nominal value.

The other assets are comprised of the following items:

in EURk	2008	2007
Loans	3,111	2,423
Input tax receivables	1,531	1,589
Income tax receivables	858	254
Margin payments made	0	281
Other	1,838	974
	7,338	5,521

___ 7.7 Bank balances

The bank balances correspond exactly to the cash and cash equivalents.

___ 7.8 Equity

___ Subscribed capital

The share capital is divided into ordinary registered shares. The shares are no-par-value ordinary shares each with a notional value of EUR 1.00.

By resolution of the Management Board on 17 November 2008, which was approved by the Supervisory Board, the share capital was increased by EUR 300k from EUR 4,239k to EUR 4,539 utilising a portion of the Authorised Capital 2006/I.

The capital increase was successfully placed and was registered in the Commercial Register on 26 November 2008.

The capital increase added 300,000 no-par-value ordinary shares, raising the total from 4,238,670 to 4,538,670 shares.

The authorised capital up until 30 September 2011 (Authorised Capital 2006/I) amounts to EUR 1,059k as at 31 December 2008.

During the reporting year, the Company did not exercise its option of performing a contingent capital increase of up to EUR 2,199k (Contingent Capital 2007/I).

___ Capital reserve

EUR 4,500k was transferred to the capital reserve during the financial year. EUR 265k was charged against the capital reserve for equity procurement costs.

___ Revaluation reserve

The revaluation reserve is comprised of the changes in the value of financial assets categorised as "available-for-sale" and recognised directly in equity, and all the adjustments to deferred taxes and provisions in connection with the measurement of those assets.

During the reporting year, EUR 741k of the provision for future Management Board bonus entitlement was reversed directly in equity due to write-ups of securities categorised as "available-for-sale financial assets" performed as at the balance sheet date, resulting in an equivalent increase in the revaluation reserve. The deferred tax assets formed on the basis of this provision were reduced by EUR 348k with no effect on profit or loss, resulting in an equivalent reduction in the revaluation reserve.

The disposal of securities categorised as “available-for-sale financial assets” resulted in a reduction of the revaluation reserve by EUR 4,371k. The write-downs of the securities holdings in this category as at the balance sheet date resulted in a reduction of the revaluation reserve by EUR 5,179k.

___ Minority interest

Outside shareholders hold interests in the following Group companies:

Equity interest	Minority share of capital in %
Altira CFC Management GmbH	25.00
Greenland Management GmbH	49.80
VCH Vermögensverwaltung AG	25.50

___ 7.9 Tax provisions and other provisions

Tax provisions are comprised of anticipated payments of corporate income tax, solidarity surcharges, and trade tax.

The other provisions are comprised of the following items:

in EURk	01/01/2008	Utilisation	Reversal	Addition	31/12/2008
Bonus	5,179	3,267	246	838	2,504
Provision for future Management Board bonus entitlement	1,753	0	710	0	1,043
Other personnel provisions	97	97	0	200	200
Annual financial statement and auditing	133	116	8	197	206
Provision for share-based payment entitlements	0	0	0	103	103
Other	1,323	138	0	1,015	2,200
	8,485	3,618	964	2,353	6,256

The provision for bonuses concerns mainly the Management Board's contractual entitlement to a performance bonus based on the consolidated net profit calculated in accordance with the HGB (German Commercial Code).

The provision for future bonus entitlements relates to future Management Board bonus entitlements accruing in a future period when write-ups of investments already recognised under IFRS as at 31 December 2008 are also realised under HGB.

7.10 Liabilities

The reported liabilities have a term of up to one year and are carried at nominal value or the amount at which they are likely to be claimed.

Liabilities to banks involve current account liabilities.

Trade payables mainly relate to liabilities deriving from sales commissions and consulting subcontracts in the Public Markets segment.

The other liabilities are comprised of the following items:

in EURk	2008	2007
Rent subsidy	556	635
Value-added tax owed	297	766
Wage tax and church tax	133	125
Management fees received	110	188
Social security liabilities	7	18
Purchase price liability	0	1,021
Other	1,002	237
	2,105	2,990

The purchase price liability in the previous year was related to the acquisition of an interest in R-QUADRAT Immobilien GmbH, Vienna.

The management fees received relate to the management fees already received for the year 2009 in the Public Markets segment.

— 7.11 Other disclosures on financial instruments

The following tables show the reconciliation of book values of financial instruments to the balance sheet according to category for the balance sheet dates 31 December 2008 and 31 December 2007:

31 December 2008

in EURk	Measured at fair value	Measured at amortised cost	Outside the scope of IFRS 7	Balance sheet figure
Non-current assets				
Shares in associated companies			3,015	3,015
Equity investments	135			135
Securities categorised as "available-for-sale financial assets"	2,552			2,552
Securities measured at fair value through profit or loss	14,442			14,442
Loans		986		986
Total investments	17,129	986	3,015	21,130
Current assets				
Securities, held-for-trading	3,478			3,478
Trade receivables		3,220		3,220
Receivables from companies in which an equity interest is held		914		914
Other assets		7,338		7,338
Bank balances		22,877		22,877
Total current assets	3,478	34,349	0	37,827

31 December 2007

in EURk	Measured at fair value	Measured at amortised cost	Outside the scope of IFRS 7	Balance sheet figure
Non-current assets				
Shares in associated companies			3,663	3,663
Equity investments	135			135
Securities categorised as "available-for-sale financial assets"	15,503			15,503
Securities measured at fair value through profit or loss	16,525			16,525
Total investments	32,163	0	3,663	35,826
Current assets				
Securities, held-for-trading	5,572			5,572
Trade receivables		5,158		5,158
Receivables from companies in which an equity interest is held		272		272
Other assets		5,521		5,521
Bank balances		24,737		24,737
Total current assets	5,572	35,688	0	41,260

The securities holdings of the Altira Group are comprised of the following:

in EURk	2008	2007
Listed shares	3,636	19,582
Unlisted shares	13,372	12,419
Investment fund units	2,633	5,268
Fixed-interest securities	171	185
Certificates	660	145
	20,472	37,599

In order to present market risks, IFRS 7 requires a sensitivity analysis which shows the effect of hypothetical changes in market prices on profit and equity. A 10 percent change in the value of the Altira Group's holdings of listed shares would result in a change in value of EUR 364k (previous year: EUR 1,958k) of which EUR 109k (previous year: EUR 408k) would be recognised in profit or loss, and EUR 255k (previous year: EUR 1,550k) would be accounted for using the revaluation reserve. A 10 percent change in the fair value of holdings of unlisted shares would result in a change in value of EUR 1,337k (previous year: EUR 1,242k) recognised in profit or loss. A change in the value of investment fund units would result in a change in value of EUR 263k (previous year: EUR 527k) recognised in profit or loss.

Since the business operations of the Altira Group are primarily focused on the euro currency area, the currency risk is limited to individual investments. As of the reporting date, the Group held 85.000 units in the VCH Expert Emerging Markets investment fund with a fair value of EUR 366k. The fund invests primarily in growth markets outside the euro zone.

In addition, Altira holds shares of ADC African Development Corporation GmbH & Co. KGaA, Frankfurt am Main, with a fair value of EUR 3,372k. African Development Corporation primarily invests in financial service companies in Africa.

Since the Altira Group is almost entirely equity financed, direct interest rate risk is limited to holdings of fixed-interest securities. The fair value of these securities was EUR 171k as at the balance sheet date.

Liquidity planning is used to ensure that sufficient liquidity is maintained to satisfy financial obligations at all times.

The current liabilities reported have a term of up to one year. Since the reported liquid assets cover the current liabilities up to approximately EUR 11.0 million, the Altira Group is exposed to only minor liquidity risks.

The net gain from financial instruments in the IAS 39 measurement categories is comprised of measurement gains and gains on disposal:

in EURk	2008	2007
Securities measured at fair value through profit or loss		
Measurement gain (loss)	-798	4,571
Gain (loss) on disposal	0	0
	-798	4,571
Securities, held-for-trading		
Measurement gain (loss)	-4,140	-19
Gain (loss) on disposal	-24	-27
	-4,164	-46
Securities categorised as "available-for-sale financial assets"		
Measurement gain (loss)	0	0
Gain (loss) on disposal	3,616	1,470
	3,616	1,470
	-1,346	5,995

8. Other disclosures

8.1 Disclosures on the cash flow statement

The cash flow statement recognises cash flows in accordance with IAS 7 in order to present information on the movement of the Company's cash and cash equivalents. The cash flows are broken down into operating, investing and financing activities. The indirect presentation format is used.

During the reporting year, there were cash inflows from interest income in the amount of EUR 1,244k (previous year: EUR 875k) and cash outflows for interest expenses in the amount of EUR 78k (previous year: EUR 51k). The Company paid income taxes in the amount of EUR 5,322k (previous year: EUR 556k).

The cash and cash equivalents at the beginning and end of the period consist of bank balances.

___ 8.2 Disclosures on the segment reports

The Altira Group is segmented by business areas according to the Group's internal organisational structure. The reportable segments are strategic business areas which differ in terms of their products and services. The Altira Group's revenue is generated primarily in Germany, Luxembourg and Austria, which are combined into one geographic segment.

The Altira Group has been divided into the Holding Company, Private Markets, Public Markets and Real Estate segments.

___ Holding Company

The holding company is responsible for management and development of the Group as well as for providing centralised management and administrative services, for which it receives payments from other segments for allocated expenses. Altira AG has interests in capital management companies which operate in the Private Markets, Public Markets, and Real Estate business areas. In addition, it also invests equity in funds that are managed by these management companies.

___ Private Markets

The Private Markets segment is comprised of the activities of the Altira Group in the area of unlisted capital investments. These include the private equity market, restructuring funds, climate protection investments and development investments in Africa. The Altira Group participates as a founding shareholder in capital management companies or acquires equity interests in existing capital management companies focused on particular Private Markets segments. As at 31 December 2008 the Group's main private equity management companies are Altira Heliad Management GmbH (formerly Sigma Capital Management GmbH), Altira CFC Management (formerly CFC Industrie Beteiligungen Verwaltungs GmbH), Altira eolutions Management GmbH (formerly eolutions Management GmbH), Altira TIG Management GmbH (formerly Themis Management GmbH) and Altira ADC Management GmbH (formerly ADC African Development Management GmbH).

___ Public Markets

This area involves the management of financial products and portfolios that invest in liquid assets or listed assets. These include, in particular, the investment funds of VCH Investment Group AG and the fund of funds of Patriarch Multi-Manager GmbH. The revenue of the Public Markets segment mainly relate to management fees and performance fees for management of the VCH investment funds.

— Real Estate

This segment includes all Altira Group activities relating to the management of real estate assets. The Altira investee R-QUADRAT Immobilien GmbH specialises in the region of Eastern Europe and covers the entire range of services in the real estate area from project search, development and leasing to sales.

Greenland Management GmbH invests investor capital mainly in Eastern Europe in land used for agriculture and is responsible for managing it. The gains from shares in associated companies in the Real Estate segment relates to the interest in R-QUADRAT Immobilien GmbH, Vienna, Austria, which was acquired during the reporting year.

— 8.3 Earnings per share

Earnings per share are calculated by dividing the net income for the year attributable to the shareholders of Altira AG by the time-weighted average number of shares:

	2008	2007
Net income for the period in EURk	-2,397	9,588
Time-weighted average number of shares in circulation	4,268,178	4,006,506
Diluted and undiluted earnings per share in EUR	-0.56	2.39

No dividend payment is planned for financial year 2008.

— 8.4 Contingent liabilities and other financial obligations

As of the balance sheet date, Altira AG has issued the following letters of comfort:

1. a letter in the amount EUR 50,000.00 in favour of Altira CFC Management GmbH, Dortmund,
2. a letter in the amount of EUR 250,000.00 in favour of Patriarch Multi-Manager GmbH, Frankfurt am Main,
3. a letter in the amount of EUR 300,000.00 in favour of Altira ADC Management GmbH, Frankfurt am Main,
4. a letter in the amount of EUR 150,000.00 in favour of Greenland Management GmbH, Frankfurt am Main.

Lease commitments in the amount of EUR 1,622k result from a 5-year fixed-term lease with a remaining term of approximately three years. A bank guarantee in the amount of EUR 132k was furnished as rental security.

Lease commitments in the amount of EUR 80k result from an additional lease agreement.

In addition, Altira AG assumed a loan commitment in the amount of EUR 4,999,950 for the ClearSight Turnaround Fund I, L.P., St. Peter Port, Guernsey, of which as at the reporting date EUR 4,514,200 remains undrawn.

There were no other contingent liabilities or other financial obligations not shown in the balance sheet or the income statement as at the balance sheet date.

— 8.5 Related parties

Under IAS 24 related parties transactions must be reported.

As at the balance sheet date 31 December 2008, Angermayer, Brumm & Lange Unternehmensgruppe GmbH, Wiesau, held approximately 61.7 percent of the share capital of Altira AG. Therefore, AB & L GmbH and its subsidiaries are considered related parties. Since AB & L GmbH held around 48.6 percent of the shares of Aragon AG, Wiesbaden, Aragon AG and its subsidiaries are related parties.

The companies managed by the Altira Group and organised in the legal form of a GmbH & Co. KGaA are classified as other related parties.

During the reporting year the Altira Group received fees amounting to EUR 6,077k (previous year: EUR 6,025k) from related parties organised in the form of a GmbH & Co. KGaA for undertaking their management and administration as well as a fee in the amount of EUR 159k (previous year: EUR 0k) for the performance of a capital increase.

In addition, the Altira Group received fees and payments for allocated expenses from Aragon AG and subsidiaries of Aragon AG for other services in the amount of EUR 82k and made a payment in the amount of EUR 35k to Aragon AG.

During the reporting year, Altira AG made the following contributions to the equity of companies managed by Group companies and organised in the legal form of a GmbH & Co. KGaA:

Related party	Capital contribution in EURk
CAESAR Industrial Technologies S.à r.l. & Co. KGaA, Frankfurt am Main	599
Greenland Real Investments GmbH & Co. KGaA, Frankfurt am Main	25
	624

During the reporting year, Altira AG granted a loan in the amount of EUR 500k to CFC Industriebeteiligungen GmbH & Co. KGaA at an interest rate of 10 percent. Altira AG received EUR 42k in interest on this loan.

In addition, the Altira Group company Sigma Capital Management GmbH charged TIG Themis Industries Group GmbH & Co. KGaA EUR 21k in interest for the deferral of payment of the fee for performance of management. The interest rate charged was 6 percent. The due fees and the deferral interest had been received as at the balance sheet date.

Heliad Equity Partners GmbH & Co. KGaA paid EUR 19k to Altira Heliad Management GmbH for the allocated costs of investor relations services. Heliad also has a claim against Altira Heliad Management GmbH for outsourced personnel expenses of EUR 39k.

As at the balance sheet date, there were EUR 453k in receivables from related parties and EUR 611k in liabilities to related parties.

The liabilities to related parties include EUR 486k relating to the partial acquisition of a fund from TIG Themis Industries Group GmbH & Co. KGaA. The fund units were acquired at book value.

Additionally, Altira AG granted a securities loan in form of securities with a fair value of EUR 2,000k to PA Beteiligungen GmbH, Frankfurt am Main. The interest rate is 1.2 percent p.a. The partners of Angermayer, Brumm & Lange Unternehmensgruppe have a significant influence on PA Beteiligungen GmbH.

There are receivables of EUR 554k for dividend claims against the associated company R-QUADRAT Immobilien GmbH, which is measured using the equity method.

The Aragon Group has distribution agreements relating to business operations with VCH Investment Group AG and Patriarch Multi-Manager GmbH.

The compensation of the members of the Management Board is comprised of the following:

in EURk	2008	2007
Performance-independent components	766	737
Performance-dependent components	244	0
Formation of a provision for performance-based components	0	1,593

In addition, during the reporting year a total of EUR 2,679k was paid out from provisions formed in the previous year for performance-based compensation (previous year: EUR 322k). The total compensation paid to the members of the Management Board during the reporting year amounted to EUR 3,689k (previous year: EUR 1,059k).

In addition, the consolidated financial statements also include a provision for future Management Board entitlements to performance-based compensation in the amount of EUR 1,043k (previous year: EUR 1,752), which accrue when the write-ups of investments already recognised under IFRS are also realised under the HGB (German Commercial Code). This amount will not be due for payment, however, until the corresponding profits recognised under IFRS are also realised under HGB.

Altira AG is not obligated under § 314 paragraph 1 paragraph 6 letter a sentence 5 et seq. HGB to disclose the pay of each individual member of the Management Board because it is not a listed corporation within the meaning of § 3 paragraph 2 AktG (German Companies Act).

During the reporting year, the members of the Supervisory Board received compensation in the amount of EUR 16k (previous year: EUR 6k). In addition, a liability exists for Supervisory Board compensation in the amount of EUR 82k.

— 8.6 Share-based payments

Altira AG introduced a “virtual share option plan” in financial year 2008. When exercising their share options, plan participants receive a cash payment linked to share performance. This plan was classified according to the provisions of IFRS 2 as a share-based payment plan with equity instrument settlement. There were no cancellations of or amendments to the plan during the current financial year. The following changes in share options occurred during the current financial year:

Options	Number
Options outstanding at the beginning of the 2008 reporting period	0
Options granted during the 2008 reporting period	128,000
Options forfeited during the 2008 reporting period	0
Options exercised during the 2008 reporting period	0
Options expired during the 2008 reporting period	0
Options outstanding at the end of the reporting period	128,000
Exercisable options at the end of the reporting period	0

- The payout amount of tranche 1 options is equal to the difference between the final share value and the exercise price. The final value corresponds to the placement price per share during performance of the capital increase. The payout amount of tranche 2 corresponds to the difference between market price and exercise price. The market price is calculated as the weighted average price of a share of the Company between 1 January 2013 and 30 June 2013. The payout amounts of tranches 3 and 4 equal the difference between the final value and the exercise price. The final value is the arithmetic mean of the final prices of shares of the Company on the 20 stock exchange dealing days preceding the exercise date.
- Options may only be exercised at the end of their term during a defined exercise period. For tranche 1, 3 and 4 options, the exercise period is 1 year. Tranche 2 options are exercised automatically at the end of their term.
- If the option holder is no longer an employee of the company after he was granted options and before the vesting date of the respective option tranches, all granted options that have not yet vested lapse.

- The vesting of the options takes place on different dates during their term (vesting in instalments):

Year	Number
2008	3,000
2009	17,000
2010	16,000
2011	24,000
2012	24,000
2013	44,000

The weighted average expected residual term for the share options outstanding as at 31 December 2008 is 5.21 years.

The exercise prices for the options outstanding at the end of the reporting period are lie in the range between EUR 31.00 and EUR 45.00.

The fair value of share appreciation rights are calculated at the moment of granting of the options using a binomial model or a Monte Carlo simulation taking into consideration the terms under which the options were granted. The expenses for the services received or a liability to pay for these services are recognised over the vesting schedule. The liability is recalculated on every reporting date as well as the settlement date. Changes to fair value are recognised through profit or loss.

The weighted average fair value of the options granted during the financial year amounts to EUR 2.68. The valuation as at 31 December 2008 was based on the following parameters:

Paramenter	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Dividend yield (%)	1.00	1.00	1.00	1.00
Expected volatility (%)	46.01	46.56	46.28	46.28
Risk free interest rate (%)	2.44	2.36	2.67	2.67
Term of the option (years)	5.13	4.50	5.67	5.67
Share price on the valuation date (EUR)	17.00	17.00	17.00	17.00
Model used	Binominal	Monte Carlo	Binominal	Binominal

During the valuation, the maximum term of the options was modelled using the binomial model and Monte Carlo simulation and, if applicable, the possibility of an early exercise was taken into consideration when calculating the value of the options.

Because of the still recent stock exchange listing, there was no historic company share price data available for an estimate of the volatility that corresponded to the term of the options. Instead the future volatility during the expected term of the share options was derived based on the historic volatilities of a peer group of comparable companies. The expected volatility used is based on the assumption that it is possible to project future trends based on historic volatilities. The actual volatility may deviate from the assumptions that were made.

The risk-free interest rate was derived from market data with a residual term that corresponded to the expected term of the options being valued.

The expected dividend yield was calculated based on historic dividend payments, taking into consideration management expectations of future changes.

The expenses recognised for services received during the financial year were as follows:

in EURk	2008	2007
Expenses due to share-based payments with cash settlement	103	0

As at 31 December 2008, the book value of the liability arising from stock appreciation rights was EUR 103k (2007: EUR 0k). No further stock appreciation rights were exercisable as at the balance sheet date.

8.7 Shareholdings

The list of shareholdings is in the appendix to the Notes.

The Altira Group holds an interest in excess of 5 percent of the voting rights in the following large corporation:

Heliad Equity Partners GmbH & Co. KGaA, Frankfurt am Main

___ 8.8 Events after the balance sheet date

At the beginning of the new financial year, the following companies of the group were renamed:

- ADC African Development Management GmbH became Altira ADC Management GmbH
- ecolutions Management GmbH became Altira ecolutions Management GmbH
- Sigma Capital Management GmbH became Altira Heliad Management GmbH
- Themis Management GmbH became Altira TIG Management GmbH
- CFC Industrie Beteiligungen Verwaltungs GmbH became Altira CFC Management GmbH

___ 8.9 Disclosures on capital management

The management of the Altira Group aims to achieve an appropriate return on capital employed.

Altira AG invests equity in capital management companies in order to continuously expand its revenue base by means of the management fees these companies earn. The amount of the management fees is largely determined by the volume of the respective assets under management and the return earned. In addition, Altira AG invests equity in funds are managed by these management companies in order to profit directly from the investment performance of these funds.

___ 8.10 Disclosures on risk management

The Altira Group risk management system identifies and avoids, or limits, the significant risks resulting from the Group's business operations. The risk management system also assists in the identification and exploitation of opportunities, thereby contributing to the further development and greater success of the Group.

Risks are assigned systematically to three risk groups:

1. Strategic risks

- Changes in the capital market environment, which represents the underlying commercial foundation for a corporate group operating in the asset management area
- Market environment and positioning of the competition
- Human resources

2. Financial risks

- Price change risks (possible negative performance of securities and equity investments held in the portfolio and performance of vehicles managed by the investment teams)
- Liquidity risk
- Legal risks
- Risks due to changes in tax law

3. Operational risks

- Financial accounting and controlling
- Cash flows
- IT security

For each area of potential risk, risk management consists of early risk identification, information and communication, as well as risk response in the form of determination and implementation of the appropriate countermeasures.

Price change risks mainly result from potential negative changes in the capital market as a whole as well as in the performance of individual shares and in the fair values of equity investments and securities held in the Company's own portfolio and its managed portfolios. In individual cases, Altira manages these price risks by entering into hedge transactions. In financial year 2008, in order to hedge against market and currency risks in equity markets subject to increased fluctuations, particularly in emerging countries, index futures were sold and currency forward sales were entered into. Leverage certificates were also used at times to hedge in the mutual fund area.

— 8.11 Employees

Group companies had an average of 64 employees over the year (previous year: 46) – not including the members of the Management Board and the managing directors of the Group companies – of which 31 were female (previous year: 24) and 33 male (previous year: 22).

— 8.12 Management Board and Supervisory Board

— Management Board

Michael Rieder, CEO (as of 15 February 2008), Frankfurt am Main,
Degree in Business Administration (Diplom-Kaufmann)

Peter Brumm, CFO (CEO until 15 February 2008), Frankfurt am Main,
Degree in Business Administration (Diplom-Kaufmann)

Andreas Lange, CIO, Frankfurt am Main,
Degree in Business Administration (Diplom-Kaufmann)

Christian Angermayer, CSO, Wiesau,
Entrepreneur

Michael Hallacker, Director of Sales (from 19 July 2007 to 29 February 2008),
Georgenhausen, Degree in Business Administration (Diplom-Kaufmann)

— Supervisory Board

Robert Depner (Chairman of the Supervisory Board), Bergisch Gladbach,
Chairman of the Management Board of VCH Vermögensverwaltung AG

Axel-Günter Benkner (Deputy Chairman of the Supervisory Board,
as of 26 August 2008), Nidderau,
Managing Director of Deutsche Vermögensbildungsgesellschaft mbH, DWS Group

Peter E. Merian (Member of the Board of Directors, as of 26 August 2008),
Binningen, Switzerland, Member of the Supervisory Board of Bank Sarasin & Cie AG

Dr. Peter Schmidt (Deputy Chairman of the Supervisory Board,
until 26 August 2008), Alfter, Business Consultant

Gerhard Lange (Member of the Supervisory Board, until 26 August 2008),
Neckargemünd, Business Consultant

Information on Management and Supervisory Board compensation is provided in the
“Related parties” section.

STATEMENT OF CHANGES IN FIXED ASSETS 2008

Cost				
in EURk	as at 01/01/2008	Additions	Disposals	as at 31/12/2008
I. Intangible assets				
EDP software	255	174	0	429
Goodwill	1,090	0	210	880
	1,345	174	210	1,309
II. Property, plant and equipment				
Other equipment, plant and office equipment	914	562	156	1,320
III. Financial assets				
1. Shares in associated companies	2,064	624	0	2,688
2. Equity investments	135	15	15	135
3. Investment securities	22,877	973	4,451	19,399
4. Loans	0	986	0	986
	25,076	2,598	4,466	23,208
	27,335	3,334	4,832	25,837

	Valuation adjustments downward (-), upward (+)			Residual book value		
	as at 01/01/2008	Additions	Disposals	as at 31/12/2008	as at 31/12/2008	as at 31/12/2007
	-146	-116	0	-262	167	109
	0	0	0	0	880	1.090
	-146	-116	0	-262	1,047	1,199
	-408	-205	82	-531	789	506
	1,599	-1,272	0	327	3,015	3,663
	0	0	0	0	135	135
	9,151	-5,984	-5,572	-2,405	16,994	32,028
	0	0	0	0	986	0
	10,750	-7,256	-5,572	-2,078	21,130	35,826
	10,196	-7,577	-5,490	-2,871	22,966	37,531

STATEMENT OF CHANGES IN FIXED ASSETS 2007

(As a comparison)

Cost					
in EURk	as at 01/01/2007	Initial consolidation	Additions	Disposals	as at 31/12/2007
I. Intangible assets					
EDP software	133	0	133	11	255
Goodwill	660	215	215		1.090
	793	215	348	11	1,345
II. Property, plant and equipment					
Other equipment, plant and office equipment	695	50	193	24	914
III. Financial assets					
1. Shares in associated companies	40	0	2,064	40	2,064
2. Equity investments	119	5	49	38	135
3. Investment securities	6,657	0	17,388	1,168	22,877
	6,816	5	19,501	1,246	25,076
	8,304	270	20,042	1,281	27,335

	Valuation adjustments downward (-), upward (+)				Residual book value		
	as at 01/01/2007	Write- downs	Additions	Disposals	as at 31/12/2007	as at 31/12/2007	as at 31/12/2006
	-79	-78	11	0	-146	109	54
	0				0	1,090	660
	-79	-78	11	0	-146	1,199	714
	-245	-183	20	0	-408	506	450
	0	-162	0	1,761	1,599	3,663	40
	0	0	0	0	0	135	119
	7,912	-1,527	-2,016	4,782	9,151	32,028	14,569
	7,912	-1,689	-2,016	6,543	10,750	35,826	14,728
	7,588	-1,950	-1,985	6,543	10,196	37,531	15,892

LIST OF SHAREHOLDINGS

as at 31 December 2008

Company name and headquarters of held company	Share- holding in %	Equity 31/12/2008 in EURk	Net income 2008 in EURk	Consoli- dation method used
Altira ADC Management GmbH, Frankfurt am Main	100,00	-256	-281	Full consolidation
Altira ImmoFinanz GmbH, Frankfurt am Main	100,00	2,263	1,145	Full consolidation
Altira CFC Management GmbH, Dortmund	75,00	-24	-157	Full consolidation
Clearsight Investments AG, Zurich (Switzerland)	40,00	39	-28	Equity method
Altira ecolutions Management GmbH, Frankfurt am Main	100,00	21	-112	Full consolidation
Greenland Management GmbH, Frankfurt am Main	50,20	-47	-66	Full consolidation
Heliad AG, Zurich (Switzerland)	100,00	-248	-136	Full consolidation
Patriarch Multi-Manager GmbH, Frankfurt am Main	100,00	-193	-75	Full consolidation
R-QUADRAT Immobilien GmbH, Vienna (Austria)	22,51	13,333	614	Equity method
Altira Heliad Management GmbH, Frankfurt am Main	100,00	1,544	1,519	Full consolidation
Altira TIG Management GmbH, Frankfurt am Main	100,00	197	172	Full consolidation
VCH Investment Group AG, Frankfurt am Main	100,00	4,208	-513	Full consolidation
VCH Vermögensverwaltungs AG, Cologne	74,50	566	67	Full consolidation
CAESAR Industrial Technologies GmbH, Frankfurt am Main	49,90 ¹			Equity method
Greenland Real Investments GmbH & Co. KGaA, Frankfurt am Main	50,00	45	-15	-
Seyes GmbH, Bayreuth	20,00 ¹			-
SophistiCapital AG, Bayreuth	50,20 ¹			-

1) Annual financial statements not available

AUDITOR'S REPORT

We have audited the consolidated financial statements, comprising the balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements, prepared by Altira Aktiengesellschaft, Frankfurt am Main, for the financial year from 1 January to 31 December 2008 as well as the Group management report. The preparation of the consolidated financial statements and the Group management report in accordance with the IFRS as adopted by the EU and additional provisions of German commercial law required under § 315a paragraph 1 HGB (German Commercial Code) is the responsibility of Company management. Our responsibility is to express an opinion on the consolidated financial statements based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB (German Commercial Code) and German generally accepted principles of financial statement auditing issued by the Institut der Wirtschaftsprüfer (IDW – German Institute of Auditors). These standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations conveyed by the consolidated financial statements in accordance with applicable accounting principles and by the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations of potential misstatements were taken into account when determining audit procedures. The effectiveness of the internal accounting control system and evidence supporting the disclosures in the consolidated financial statements and Group management report are examined primarily on a test basis within the framework of the audit. The audit includes an assessment of the annual financial statements of the companies included in the consolidated financial statements, determination of the companies included in the reporting entity, an evaluation of the accounting and consolidation policies used and significant estimates made by management, as well as an evaluation of the overall presentation of the consolidated financial statements and Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not result in any qualifications.

In our opinion, based on the knowledge gained during the audit, the consolidated financial statements satisfy IFRS requirements as adopted by the EU and the additional provisions of German commercial law applicable under § 315a paragraph 1 HGB (German Commercial Code) and convey a true and fair view of the Group's net assets, financial position and results of operations in accordance with those requirements. The Group management report is consistent with the consolidated financial statements and conveys a suitable overall view of the position of the Group and a suitable presentation of the opportunities and risks of future development.

Berlin, 15 May 2009,
Verhülsdonk & Partner GmbH
Auditors and Tax Consultants

Konrad Pochhammer, Auditor
Dr. Steffen Görlitz, Auditor

Altira Group

Altira Aktiengesellschaft

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Christian Angermayer

Supervisory Board

Robert Depner (Chairman), Axel-Günter Benkner,
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The German version is legally binding.

FINANCIAL CALENDAR

— 22 June 2009
Publication of Q1 results (Excerpt)

— 2 July 2009
Annual General Meeting

— 25 August 2009
Publication of Semi-annual Financial Report (Complete)

— 24 November 2009
Publication of Q3 results (Excerpt)
