

Report of the Personally
Liable Partners



THE PERSONALLY LIABLE PARTNERS (FROM LEFT TO RIGHT):

*Detlef Bierbaum (Asset Management), Dieter Pfundt (Investment Banking),
Christopher Freiherr von Oppenheim (Private Banking), Matthias Graf von Krockow (Spokesman),
Friedrich Carl Jansen (Risk Management, Equity Investments and Bank Services)*

Cologne, 26 April 2007

Dear Clients, Business Friends and Shareholders,

We can look back on the most successful business year of our 218-year history with joy and pride. With the help of positive capital markets, we succeeded in raising Group income by € 119 million or 12% to approximately € 1.1 billion and thus passed the one-billion mark for the first time. Pre-tax net income amounts to € 309 million.

Apart from its sheer volume, this result is remarkable on the one hand because it reflects the increase in the Group's earnings strength. On the other hand, it has gained sustainability: it is evenly distributed among the business divisions, Germany and other countries, and among fee and commission and interest revenues and income from other sources.

All of our business divisions, branch offices, subsidiaries and affiliated companies contributed to this substantial success, which clearly demonstrates that our strategic positioning as an integrated asset management and investment bank has worked.

BHF-BANK, which we acquired at the beginning of 2005, played a major role, actually exceeding our expectations. We consider our two-bank strategy to be a success, because it allows us to meet the wishes and needs of the clients and business partners of each bank.

The Group's positive result is also a sign of our clients' satisfaction. We have both expanded our existing business relationships and gained many new clients. The value of assets under management increased to € 138 billion.

Economic success is only possible with highly qualified and motivated staff who are committed to this challenge and have gained the trust of our clients. I would like to express my sincere thanks for this outstanding commitment. I would also like to welcome the more than 330 new staff members, bring-

ing our total workforce to 3,490. We also intend to seize the opportunities that present themselves in the coming year by means of organic growth and targeted acquisitions in Germany and abroad.

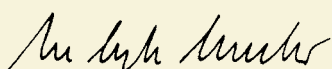
We believe that we have a considerable chance of gaining further market shares in Germany. This applies to all of our business divisions and affiliated companies. We intend to expand our capacity in Cologne and Frankfurt, also in terms of office space.

We see additional business potential abroad. In order to make full use of the offers and opportunities here, we will be merging our holding and bank in Luxembourg to form the group parent company and provide a basis for our international expansion.

The lucrative expansion of our business in Germany and abroad will be sustained by the increase in Group equity to over € 1.9 billion.

We are determined to continue along the growth path systematically and with the sensitivity required. We are well aware that the key factors in gaining our clients' trust are not only the quality of our products and services, but also, and in particular, the provision of individual client support. We have a long tradition of commitment to serving our clients and will continue to act as a reliable and competent partner for them in the future.

Yours faithfully,



Matthias Graf von Krockow