



Names of the ships:  
**MT "HLL Aegean"**  
**MT "HLL Barents"**  
**MT "HLL Indian"**  
**MT "HLL Ionian"**

Draught:  
**9.30 m**

Loading capacity:  
**22,883 cbm (98 %)**

Type of ship:  
**Product/  
 chemical tankers**

Speed:  
**15.5 kn**

Deadweight tonnage:  
**19,990 tdw**  
 (non-oil products)

Shipbuilding yard:  
**Uljanik Shipyard,**  
 in Pula/Croatia

Length overall:  
**149.30 m**

In service since:  
**HLL Aegean: 07/1999**  
**HLL Barents: 03/1999**  
**HLL Indian: 01/2000**  
**HLL Ionian: 09/1999**

Moulded beam:  
**23.80 m**

### The charters

The four tankers of the HLL Tanker-Flottenfonds I were taken over under time charters by Mega Chemical Tankers AG, Uttwil/Switzerland (in short: MCT), for a period of ten years (plus an option for two further years at the discretion of the charterer). The time charter rate is variable and is dependent on the corresponding charter market and the activities of the MCT Pool, which operates and sub-charters the tankers on its own account. In the year 2009 the four tankers achieved a net charter rate on annual average (before ship operation and management fees) of some USD 10,000 p.d. and ship. An average rate of USD 9,500 net p.d. is expected for the year 2010. Our charterer MCT is satisfied with the operation of the ships.

Apart from the four scheduled dry dock overhauls of the MT "HLL Aegean", of the MT "HLL Barents", of the MT "HLL Indian" and of the MT "HLL Ionian", there were no further "off hire" times in 2009 (periods during which the ship is technically not operable and thus cannot earn any revenues). Whereas three of the four dry dock overhauls ran as planned, the dry dock overhaul of MT "HLL Barents" in Lisnave/Portugal necessitated an unscheduled long idle time of 57 days. The reason for this was damage to the rudder, which was only discovered during the dry dock inspection. The additional costs that arose because of the damage as well as the lost revenues are covered by the insurances less the usual deductibles so that the ship incurred no financial disadvantage through the long dry dock overhaul (apart from the deductibles in an amount of USD 285,000). Within the framework of the dry dock overhauls of MT "HLL Barents" and MT "HLL Indian", three tanks on each ship were also re-coated.

### Economic situation

The accumulated operating result of all four shipping companies is minus EUR 1.42 million and is thus EUR 7.51 million lower than the figure stated in the prospectus (at an average exchange rate of EUR/USD 1.39 instead of EUR/USD 1.10 as anticipated in the prospectus). Charter revenues of accumulated EUR 9.29 million were achieved in the reporting year 2009, which is thus EUR 5.26 million less than predicted in the prospectus. The shortfall in revenues in the balance sheet currency Euro result on the one hand from the loss of value of the US-Dollar as compared with the figure stated in the prospectus and on the other hand from the average pool charter rate of some USD 10,000 net p.d. (the prospectus had predicted a rate of USD 11,800 net p.d.).

Due to the four dry dock overhauls the average number of operating days per ship is 339 (as against 355 days per ship anticipated in the prospectus) and this also contributed to the decline in charter revenues. The ship operating costs at (accumulated) EUR 9.73 million are some EUR 3.03 million higher than originally assumed in the prospectus. The difference derives mainly from the four dry dockings. Included in the ship operating costs are shipyard costs for all four tankers of accumulated EUR 3.17 million. Whereas the shipyard costs for the MT "HLL Aegean", the MT "HLL Indian" and the MT "HLL Ionian" were between EUR 520 thousand and EUR 580 thousand, because of the damaged rudder, expenditure for the MT "HLL Barents" at the shipyard totalled EUR 1.4 million. The repairs to the rudder were reimbursed by the insurance in an amount of EUR 0.5 million, which leaves effective shipyard costs of some EUR 0.9 million for MT "HLL Barents". The insurance refund ("Loss-of-Hire") for the dry dock overhaul of MT "HLL Barents" (a total of 57 days) amounts to some EUR 0.3 million.

In October, MT "HLL Barents" suffered damage to an auxiliary diesel engine. The overall damage amounts to some EUR 140 thousand and was reimbursed by the insurance (less the deductible in the amount of some EUR 60 thousand).

The ship operating costs include a further rise in personnel costs (in USD) of 13 % compared with the year 2008. Due to the four dry dockings as well as the reduced charter revenues, in 2009 scheduled redemptions in a total amount of USD 3.4 million were set off against special redemptions that had been made. At the end of 2009 there remains an accumulated redemption advantage of USD 3.9 million as against the original bank financing plan. Dividends in a total amount of 2.0 % on the limited partnership capital were distributed in 2009. As foreseen in the prospectus, the four one-ship companies opted for the tonnage tax in the year 2006.

### Prospects

An accumulated operating result in the amount of EUR 1.6 million is expected for the business year 2010 (at an average exchange rate of EUR/USD 1.50 instead of 1.10 as assumed in the prospectus). The accumulated charter revenues will, at a total of EUR 8.8 million, be some EUR 5.7 million lower than predicted in the prospectus. The shortfall in revenues in the balance sheet currency Euro result on the one hand from the lower value of the US-Dollar as compared with the figure named in the prospectus; on the other hand we have calculated that the charterer MCT can achieve an average pool rate of USD 9,500 net (before ship operation and management fees) per operating day with the ships in 2010 (the rate foreseen in the prospectus was USD 11,800 net p.d.). The average number of operating days is calculated as 363 (the prospectus envisaged an average of 355 days).

The ship operating costs are calculated at an accumulated amount of EUR 6.4 million and are thus EUR 1.0 million higher than anticipated in the prospectus. The calculations are based on the assumption that the scheduled annual loan repayments will be completely suspended in 2010. The applications to do this have been submitted and have been approved by the banking consortium. Accumulated redemption arrears of USD 0.7 million are calculated for the end of 2010. Under the present market conditions, no dividend payments are planned for the business year 2010.

### Financing and investment in thousand EUR:

	prospectus	actual
Limited partnership capital (nominal)	28,000	29,200
Premium	1,400	1,460
Borrowed capital <sup>1)</sup>	47,198	46,262

### Operation as of 31.12.2009 accumulated:

	prospectus	actual
Operating days	2,160	2,144
Net charter revenues in thousand EUR	83,105	80,616
Operating results in thousand EUR	37,300	28,851
Dividends in thousand EUR	12,880	11,671

### Loan level as of 31.12.2009:

	redemption schedule	actual
Ship mortgage loans in thousand USD	20,612.4	17,141.7
Ship mortgage loans in thousand JPY	757,700.0	710,250.0
Ship mortgage loans in thousand CHF	0.0	0.0
Total in thousand USD <sup>1)</sup>	27,534.7	23,630.3

### Tax results 2009 in % accumulated:

	prospectus	actual
Negative tax results	-53.5	-52.2
Positive tax results	0.8	2.9
Option for tonnage tax as of 1.1.2006		
Differential amount ship <sup>2)</sup>		110.7
Differential amount, foreign currency as of 31.12.2009 <sup>2)</sup>		0.0

### Capital commitment/reflux in % as of 31.12.2009:

	prospectus	actual
Paid in	105.0	105.0
Tax repayments from offsettable tax-deductible losses	27.8	27.1
Tax payments on taxable profits	0.4	1.4
Dividends	48.0	42.0
Capital commitment	29.6	37.3
Capital reflux	75.4	67.7

### Actual investment (incl. premium)

<b>67.7 %</b>	<b>37.3 %</b>
Capital reflux	Capital commitment

<sup>1)</sup> Valued at the purchase exchange rate at the value date

<sup>2)</sup> Subject to recognition by the tax office



#### Financing and investment in thousand EUR:

Limited partnership capital (nominal)

Premium

Borrowed capital <sup>1)</sup>

#### Operation as of 31.12.2009 accumulated:

Operating days

Net charter revenues in thousand EUR

Operating results in thousand EUR

Dividends in thousand EUR

#### Loan level as of 31.12.2009:

Ship mortgage loans in thousand USD

Ship mortgage loans in thousand JPY

Ship mortgage loans in thousand CHF

Total in thousand USD <sup>1)</sup>

#### Tax results 2009 in % accumulated:

Negative tax results

Positive tax results

Option for tonnage tax as of 1.1.2006

Differential amount ship <sup>2)</sup>

Differential amount, foreign currency as of 31.12.2009 <sup>2)</sup>

#### Capital commitment/reflux in % as of 31.12.2009:

Paid in

Tax repayments from offsettable tax-deductible losses

Tax payments on taxable profits

Dividends

Capital commitment

Capital reflux

*1) Valued at the purchase exchange rate at the value date*

*2) Subject to recognition by the tax office*

MT "HLL Aegean"	MT "HLL Barents"	MT "HLL Indian"	MT "HLL Ionian"
actual	actual	actual	actual
7,300	7,300	7,300	7,300
365	365	365	365
11,592	11,504	11,857	11,309

actual	actual	actual	actual
2,169	2,138	2,103	2,165
20,370	20,176	19,693	20,377
7,855	6,610	6,085	8,300
2,918	2,918	2,918	2,918

actual	actual	actual	actual
3,800.0	4,350.0	5,029.2	3,962.5
140,980.0	207,097.5	212,440.0	149,732.5
0.0	0.0	0.0	0.0
5,088.1	6,243.0	6,968.3	5,330.9

actual	actual	actual	actual
-46.6	-51.9	-59.3	-51.0
3.6	2.9	2.7	2.5
110.3	111.4	108.1	113.2
0.2	0.0	0.0	0.0

actual	actual	actual	actual
105.0	105.0	105.0	105.0
24.3	27.0	30.3	26.6
1.7	1.3	1.3	1.2
42.0	42.0	42.0	42.0
40.4	37.4	33.9	37.6
64.6	67.6	71.1	67.4