



Corporate Release H1 2008

AWD strengthens its market position in Germany

- German revenues up despite challenging market environment to €185.9 million (+0.6%)
- Austria and UK especially effected by finance and real-estate crisis
- Swiss revenues increased to €35.1 million (+2.3%)
- CEE remains growth market

Hanover, 28 August 2008 (AWD Holding AG). AWD, Europe's leading independent financial adviser, had in the first half 2008 a rather steady performance despite the largest crisis of the financial markets since the Second World War and even strengthens its market position in Germany further. Thereby the company achieved revenues of €335.8 million in the first six months 2008. In comparison to the sector, a moderate decline of revenues compared to H1 2007 (€388.2 million).

In Germany, AWD's most important core market, revenues increased slightly compared to H1 2007 and reached €185.9 million (€184.8 million). Thereby the German companies of the AWD Group again accounted for more than 50% of the AWD Group's total. Thereby AWD recorded better new business numbers in Germany than many of its competitors.

Revenues of AWD UK declined as a result of the continuing subprime and real-estate crisis to €50.2 million (€77.6 million). Due to the strongly declining economic growth in Austria, revenues of the region Austria & CEE declined to €64.6 million (€91.5 million) in H1 2008. Thereby, the growth segment Central and Eastern Europe continued its positive development.

A positive revenue development was also recorded by the Swiss operations of the AWD Group, where revenues increased again to €35.1 million (€34.3 million) despite a challenging market environment. In the first six months 2008, the share of revenue from up-front commission accounted for by pension and investment products, the advisory focus of the AWD Group, increased again in the first half of 2008 to 78.8%, which is 4.6 percentage points higher than in the prior-year period. "It is evident, that the need for private pension planning will rise further. This offers excellent growth opportunities in Europe. We are strengthening our market position in order to utilize this potential," stated Carsten Maschmeyer, founder and CEO of the AWD Group.

Thereby the AWD Group achieved in the difficult second quarter, which was shaped by the effects of the international financial crisis, from the companies point of view a pleasing stable result. The challenges of the competitive environment, as well as the increasing productivity requirements, caused by the EU Mediation

Directive, is leading to an increased fluctuation in the total sector at present. "With our performance-orientated business model and variable compensation, we are able to use our positive result in these difficult times to invest anticyclic and win thereby good consultants of other companies," said Carsten Maschmeyer. "The recruiting campaign which started mid-May is progressing well and will result in the next months and years in a substantial increase of the number of advisers."

AWD also intends to adopt an active role with the market's consolidation and the Group's market position in Germany, the most important core market. The acquisition of a stake in the German financial adviser company, Deutsche Proventus AG, in the second quarter 2008 was a step in this direction. The AWD Group continues to push forward with its expansion in the growth markets of Central and Eastern Europe. In addition, the business model of holistic financial optimisation is also to be introduced in other major markets of the future. AWD is therefore examining the possibility of market entry in Russia. "We intend to continue the success story of the AWD Group," stated Wilhelm Zsifkovits, CSO of the AWD Group. "That's why we are focusing on expanding our sales team. This is the foundation of our sustained corporate success."

Whereas many national and international financial institutes had to write off additional billions of Euros and pressure on earnings is forcing them to save on personnel costs and reduce the range of services they offer, AWD is making use of the currently challenging sector environment: In 2008, the Group will invest a total of €30 million in an international recruiting offensive with the goal of gaining new advisers and retaining good consultants over the long term. This active, future-oriented positioning of the AWD Group is temporarily reflected in the development of the Group's EBIT, which amounted to €24.1 million in the first half of 2008 (H1 2007: €43.0 million). The EBIT-margin for the period was thus 7.2%. The reduction in revenue and high fixed costs led to significant charges on earnings in the first six months of this year, particularly in the regions Austria and United Kingdom.

The AWD Group's most important value drivers also developed satisfyingly – despite the subprime crisis – in the first half of 2008: AWD advisers assisted 241,600 customers with the optimisation of their finances. The number of core customers who were advised once again reached 152,200 and 89,400 new customers were acquired. Together with Deutsche Proventus AG, which is not consolidated in the half year report 2008, the AWD Group had about 6,600 financial advisers at 30 June 2008.

In a market environment which many experts still regard as rather difficult, the AWD Group will continue to focus in the second half of the current business year 2008 on the expansion of its adviser capacities as well as the winning of additional consultants as well as on active measures in a consolidating sector.

A presentation and the H1 Report 2008 can be downloaded at www.AWD-Gruppe.de/ir

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If this publication contains any forecasts or expectations or if our statements refer to the future, such statements can involve risks and uncertainties. We therefore cannot guarantee that the expectations will prove to be correct. Actual events and developments can differ significantly from the expectations and assumptions expressed herein. The factors that can cause such deviations include changes in the general economic situation and the competitive situation, particularly in the core business areas and markets, exchange-rate and interest-rate fluctuations, changes in national and international legislation, especially pertaining to tax regulations, and changes in investment or business strategy. The company does not assume any obligations to update the statements made in this publication.

Key figures for the AWD Group

H1 2008

28 August 2008

KEY FIGURES	H1 2008 € million	H1 2007 € million	Change
Revenue	335.8	388.2	-13.5 %
Product groups in % of up-front commission:			
<i>Unit-linked products</i>	40.5%	35.8%	+4.7%-points
<i>Life-insurance products</i>	17.1%	15.6%	+1.5%-points
<i>Investment-fund products</i>	21.2%	22.8%	-1.6%-points
<i>Real-estate and tax-optimised products</i>	3.2%	8.5%	-5.3%-points
<i>Mortgages and financing</i>	9.7%	10.5%	-0.8%-points
<i>Private health insurance</i>	4.7%	4.2%	+0.5%-points
<i>Property and accident insurance</i>	3.6%	2.6%	+1.0%-points
Earnings before interest and taxes (EBIT)	24.1	43.0	-44.0%
EBIT margin	7.2%	11.1%	-3.9%-points
Financial income	1.7	3.1	-45.2%
Earnings before taxes (EBT)	25.8	46.1	-44.0%
Net profit for the period	17.8	31.5	-43.5%
Earnings per share (€)	0.46	0.82	-43.9%

Number of shares	38,639,016	38,639,016	±0.0%
Return on equity after taxes (annualised)	44.3%	67.2%	-22.9%-points

Financial advisers	6,037	6,343	-4.8%
Customers advised	241,600	268,600	-10.1%

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Key figures for the AWD Group

Q2 2008

28 August 2008

KEY FIGURES	Q2 2008 € million	Q2 2007 € million	Change
Revenue	159.2	187.0	-14.9%
Product groups in % of up-front commission:			
<i>Unit-linked products</i>	40.6%	33.9%	+6.7%-points
<i>Life-insurance products</i>	18.1%	15.5%	+2.6%-points
<i>Investment-fund products</i>	20.7%	23.4%	-2.7%-points
<i>Real-estate and tax-optimised products</i>	3.0%	9.4%	-6.4%-points
<i>Mortgages and financing</i>	9.7%	11.6%	-1.9%-points
<i>Private health insurance</i>	4.1%	3.6%	+0.5%-points
<i>Property and accident insurance</i>	3.8%	%2.6	+1.2%-points
Earnings before interest and taxes (EBIT)	6.3	20.8	-69.7%
EBIT margin	4.0%	11.1%	-7.1%-points
Financial income	0.9	1.8	-50.0%
Earnings before taxes (EBT)	7.2	22.6	-68.1%
Net profit for the period	4.7	16.3	-71.2%
Earnings per share (€)	0.12	0.42	-71.2%

Number of shares	38,639,016	38,639,016	±0.0%
Return on equity after taxes (annualised)	23.4%	69.5%	-46.1%-points

Financial advisers	6,037	6,343	-4.8%
Customers advised	110,800	117,000	-5.3%

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Segment report

H1 2008

28 August 2008

KEY FIGURES	H1 2008 €million	H1 2007 €million	Change
Germany			
Revenue	185.9	184.8	+0.6%
Earnings before interest and taxes (EBIT)	37.1	31.7	+17.0%
EBIT margin	20.0%	17.2%	+2.8%-points
Austria & CEE			
Revenue	64.6	91.5	-29.4%
Earnings before interest and taxes (EBIT)	7.1	21.4	-66.8%
EBIT margin	11.0%	23.4%	-12.4%-points
United Kingdom			
Revenue	50.2	77.6	-35.3%
Earnings before interest and taxes (EBIT)	-6.8	0.8	<-100%
EBIT margin	-13.5%	1.0%	-14.5%-points
Switzerland			
Revenue	35.1	34.3	2.3%
Earnings before interest and taxes (EBIT)	3.0	4.4	-31.8%
EBIT margin	8.5%	12.8%	-4.3%-points

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Segment report

Q2 2008

28 August 2008

KEY FIGURES	Q2 2008 €million	Q2 2007 €million	Change
Germany			
Revenue	90.3	86.9	+3.9%
Earnings before interest and taxes (EBIT)	14.6	14.1	+3.5%
EBIT margin	16.2%	16.2%	0.0%-points
Austria & CEE			
Revenue	28.6	45.6	-37.3%
Earnings before interest and taxes (EBIT)	1.3	11.8	-89.0%
EBIT margin	4.5%	25.9%	-21.4%-points
United Kingdom			
Revenue	23.6	37.8	-37.6%
Earnings before interest and taxes (EBIT)	-3.0	0.2	<-100%
EBIT margin	-12.7%	0.5%	-13.2%-points
Switzerland			
Revenue	16.7	16.7	0.0%
Earnings before interest and taxes (EBIT)	1.2	2.0	-40.0%
EBIT margin	7.2%	12.0%	-4.8%-points

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