



Interim Report 31 March 2009



# Contents

<b>The AWD Group at a glance</b>	<b>3</b>
<b>Foreword</b>	<b>4</b>
<b>Interim group management report</b>	<b>5</b>
Revenue and earnings	5
Business developments by market segment	6
Revenue by type of commission	12
Up-front commission by product group	13
AWD's shares	14
Risk report and outlook	15
<b>Interim consolidated financial statements</b>	<b>17</b>
Notes to the interim financial statements	17
Income statement	18
Notes to the income statement	19
Balance sheet	22
Notes to the balance sheet	23
Cash flow statement and notes to the cash flow statement	25
Other notes	27
<b>Responsibility statement by the Board of Management</b>	<b>30</b>

# The AWD Group at a glance

## ► Key figures Q1 2009

Key financials	01.01.09–31.03.09	01.01.08–31.03.08	Change
Revenue	€133.4 million	€169.6 million	-21.3%
Operating profit (EBIT)	€-6.0 million	€19.2 million	n.a.
Financial result	€0.2 million	€0.8 million	-75.0%
Earning before tax (EBT)	€-5.8 million	€20.0 million	n.a.
Net profit/loss	€-5.5 million	€14.1 million	n.a.
Earnings per share	€-0.14	€0.37	n.a.
<b>Key sales figures</b>			
Advisers*	5,376	3,407	57.8%
Sales representatives (total)	9,851	9,546	3.2%
Advised customers	140,400	129,500	8.4%
thereof: new customers	40,400	43,600	-7.3%
thereof: core customers	100,000	85,900	16.4%
Representative offices	520	488	6.6%

\*Advisers as defined by the EU Insurance Mediation Directive or by corresponding local specifications

### Ladies and Gentlemen, Friends of AWD,

The world economy is currently experiencing a downswing of historic dimensions. The governments of the leading economic nations have recognised the dangers of the crisis and are combining their efforts to save the global economy. In April, the G20 summit agree on the biggest reform of the global financial system since the Second World War and promised to support economic recovery with an additional 1.1 trillion US-dollars. The international central banks have reduced their base rates to historical lows. This is an environment in which people's saving and investing behaviour is subject to new influences. While the total amounts saved have hardly changed, savers' motivation is different from before: security is now the prime objective. In the short term, this means maintaining liquidity in unprecedented volumes. For example, the German retail investment fund sector now looks back on its worst ever results in the year 2008. In the long term, however, the orientation of people's saving motivation towards security and provision for retirement is extremely advantageous for AWD. Already today, we generate more than 80% of our commission revenue with products for pensions and long-term investment.

The AWD Group has successfully established itself as one of the leading providers of financial advice with a focus on risk protection, pension planning and long-term investment. The partnership with Swiss Life has proven its worth. In constructive cooperation with the biggest Swiss life-insurance company, we are strengthening the foundations of AWD's business model: the personal advice of the AWD Group and the principle of best select, by which customers are only offered high-quality products with good value for money. With this concept, the AWD Group is active in four regions and ten countries, and with this positioning we are enhancing AWD's importance as an integral element of the Swiss Life Group.

We were not able to fulfil our expectations for revenue and earnings in the first three months of 2009. Due to the generally difficult economic situation and private customers' reticence towards equity-based investment products, the AWD Group achieved first-quarter revenue of only €133.4 million. Business developments in the regions Austria & CEE and the United

Kingdom were as difficult as before. The AWD Group posted an operating loss of €6.0 million in the first quarter. Although some cost structures are flexible, it was not possible to offset the unexpectedly sharp fall in revenue. But we also have positive news from the period under review: in the first three months of 2009, AWD's advisers provided advice to 140,400 customers, which is 8.4% more than in the first quarter of last year. Furthermore, with the number of 40,400 customers advised for the first time, we continued the high level of customer acquisition of the previous quarters.

With 9,851 registered advisers, tied agents and trainee advisers, AWD has one of the biggest distribution capacities in Europe. Based on a stronger adviser retention, intensive utilisation of revenue opportunities and more cost awareness, we intend to make use of the strengths of AWD's business model for more success. For full-year 2009, we anticipate a better earnings development than in the past financial year. Long-term prospects remain positive in view of the undiminished strong demand for private pension provision and the expected growth in market share for personal financial advisers.

Particular thanks for this positive outlook are due to Carsten Maschmeyer. He created AWD with his vision of personal financial advice for everyone. His idea of long-term risk protection and old age pension planning put AWD on a path that will also lead us to long-term success and new prospects. As of 31 March 2009, Carsten Maschmeyer stepped down from his position as Co-Chairman of AWD Holding AG and moved to the Administrative Board of Swiss Life Group followed by his election at the Swiss Life's Annual General Meeting on May 7th 2009. Also in this new responsibility, Carsten Maschmeyer will apply his 30 years of sales experience and his intensive knowledge of the sector for the further development the AWD Group within Swiss Life.

Yours sincerely,



Manfred Behrens  
Chairman of the Board of Management

## Revenue and earnings

### Revenue focus: pension planning and risk protection

The recession in the euro zone and the related increase in unemployment caused private customers to continue their highly liquidity and security-oriented investment behaviour. This ongoing reticence, above all with regard to equity-based products, continued to place a burden on the business development in the reporting period, especially in core markets the United Kingdom and Austria. In comparison, the region Germany experienced a slight decrease in revenue. The region Switzerland achieved a minor increase in revenue growth in the first quarter, however. In the first three months of this year, the operations of the AWD Group generated revenue of €133.4 million, compared with €169.6 million in the prior-year period. Once again, the main sources of revenue were the product areas of pension planning, investment and risk-protection products. In these areas, the AWD Group once again generated roughly 81% and thus more than three quarters of its up-front commission in the first quarter of 2009.

### Earnings impacted by declining revenue

Lower revenue in all of the AWD Group's core markets in combination with the existing cost structures led to a significant decline in earnings during the reporting period. The fall in recurring commission and other commission also had negative effects on earnings. Among other things, this was the result of lower portfolio values of customers' assets. After an operating profit of €19.2 million in the first three months of 2008, the AWD Group posted an operating loss of €6.0 million in the period of January to March 2009.

### Generally positive development of value drivers

In the period under review, the AWD Group advised a total of 140,400 private customers, which is 8.4% more than in the prior-year period. Of that total, 40,400 took advantage of our holistic advice for the first time, while 100,000 existing customers once again decided in favour of our best-select approach. The proportion of 71% core customers advised demonstrates the AWD Group's good cross-selling potential.

Compared with the prior year, AWD increased the total number of sales representatives active for the Group by 305 to 9,851 (+3.2%). In addition to trainee sales representatives and tied insurance agents (Proventus), the AWD Group has 5,376 registered advisers operating as intermediaries as defined by the EU Insurance mediation Directive or corresponding local regulations. Their number increased significantly in the previous twelve months. The AWD Group also has 520 representative offices.

Due to the decision of 11 November 2008 to restructure business operations in the British market and sell the unit AWD Home Finance along with other peripheral activities, these business activities are treated as discontinued operations as of 2008. These business units generated in Q1 2008 revenue of €7.0 million, EBIT of minus €1.4 million and a net loss of €1.0 million. The prior-year figures have been adjusted accordingly.

#### ► Key figures for the AWD Group

	January–March 2008	January–March 2007
Revenue	€133.4 million	€169.6 million
EBIT	€-6.0 million	€19.2 million
EBIT-margin	-4.5%	11.3%
Advisers*	5,376	3,407
Sales representatives (total)	9,851	9,546
Advised customers	140,400	129,500
thereof new customers	40,400	43,600
thereof core customers	100,000	85,900

\*Advisers as defined by the EU Insurance Mediation Directive or by corresponding local specifications

# Segment report

## ► Segment report January–March

	January–March 2009	January–March 2008	Change
<b>Revenue</b>			
Germany	€85.1 million	€95.6 million	-11.0%
Austria & CEE	€18.7 million	€36.0 million	-48.1%
United Kingdom	€11.1 million	€19.6 million	-43.4%
Switzerland	€18.5 million	€18.4 million	0.5%
Holding company	€0.9 million	€0.9 million	0.0%
Consolidation	€-0.9 million	€-0.9 million	0.0%
<b>AWD Group</b>	<b>€133.4 million</b>	<b>€169.6 million</b>	<b>-21.3%</b>

<b>Earnings before interest and taxes (EBIT)</b>			
Germany	€6.4 million	€22.5 million	-71.6%
Austria & CEE	€-2.7 million	€5.8 million	n.a.
United Kingdom	€-0.4 million	€-2.4 million	-83.3%
Switzerland	€1.6 million	€1.8 million	-11.1%
Holding company	€-10.9 million	€-8.5 million	28.2%
Consolidation	€0.0 million	€0.0 million	0.0%
<b>AWD Group</b>	<b>€-6.0 million</b>	<b>€19.2 million</b>	<b>n.a.</b>

<b>Earnings after taxes</b>			
Germany	€6.8 million	€16.7 million	-59.3%
Austria & CEE	€-2.0 million	€4.5 million	n.a.
United Kingdom	€-0.3 million	€-1.8 million	-83.3%
Switzerland	€1.3 million	€1.5 million	-13.3%
Holding company	€-11.3 million	€-6.8 million	66.2%
Consolidation	€0.0 million	€0.0 million	0.0%
<b>AWD Group</b>	<b>€-5.5 million</b>	<b>€14.1 million</b>	<b>n.a.</b>

<b>EBIT margin</b>			
Germany	7.5%	23.5%	-16.0%-points
Austria & CEE	-14.4%	16.1%	-30.5%-points
United Kingdom	-3.6%	-12.2%	8.6%-points
Switzerland	8.6%	9.8%	-1.2%-points
<b>AWD Group</b>	<b>-4.5%</b>	<b>11.3%</b>	<b>-15.8%-points</b>

# Business development by market segment

## Germany segment

### Germany in worst crisis since the founding of the federal republic

At the beginning of the year 2009, the global financial crisis spread to affect all the world's economic regions. Germany's leading economic institutes expect the country's gross domestic product (GDP) to decline by up to 6.0% in 2009. For the euro zone as a whole, it expects a decline of 3.3%. According to estimates by the Institute for Labour Market and Occupational Research (IAB), which is part of Germany's Federal Employment Agency, Germany is thus in its worst recession since the federal republic was founded. The decline in orders received has not yet stopped, so unemployment is still rising. The IAB estimates 3.6 to 3.7 million people unemployed on average in 2009 – this would be an increase of between 330,000 and 430,000 people compared with 2008.

Worldwide, the dangers of the crisis have been recognised and various substantial rescue packages have been approved. In Germany, the coalition decided on Economic Stimulus Package II in January. This package of €50 billion is the biggest economic stimulus ever implemented in the history of the Federal Republic of Germany. In addition, the government has decided on rescue guarantees for companies with a volume of €100 billion. Already in November 2008, aid of €11.0 billion was approved in the context of Economic Stimulus Package I. In total, the economic stimulus packages decided upon all over Europe are equivalent to 1.5% of European GDP. As a result of the state programmes and the relatively low prices of oil and other raw materials, the German economy should slowly stabilise as the year progresses.

### Security and pension provision are the most important motives for saving in Germany

The European Central Bank reduced its base rate by a further 25 base points in May. Inflation in the euro zone was merely 0.6% in March, which opens up further scope for interest-rate reductions. Saving and investment behaviour in Germany has altered as a result of these developments. Although approximately 79% of people in Germany have maintained their overall saving rates, while only approximately 14% are saving less and roughly 7% are saving more than before. However, only one third of the population saves in order to make capital gains; eight years ago the proportion was 41%. 80% of Germans give private pension planning as their key motive for saving. AWD should profit from this long-term saving motive with its advisory focus on financial security and pension planning. In the short term, however, investors' current pronounced uncertainty means there is an unchanged priority for liquidity.

The total volume of public investment funds amounted to €566.2 billion at the end of February, which is €166.5 billion lower than a year earlier. The combined number of shareholders and investors in equity funds is also falling sharply. In the past twelve months, according to the German Share Institute (DAI), it fell by more than 1 million and is now only approximately 8.8 million. This means that the proportion of the total German population investing in dividend-bearing investments is only about 13.5%.

### ► Key figures for Germany

	January–March 2009	January–March 2008
Revenue	€85,1 million	€95,6 million
EBIT	€6,4 million	€22,5 million
Advisers*	3,518	1,311
Advised customers	72,400	65,850

\*Advisers as defined by the EU Insurance Mediation Directive

**Development of revenue and EBIT  
impacted by difficult market environment**

In this difficult environment, the AWD Group achieved first-quarter revenue of €85.1 million in Germany, which is 11.0% less than in the same period of last year. The decline in revenue had a particularly severe effect on the development of earnings before interest and taxes (EBIT). In the first three months of the year 2009, the AWD Group posted EBIT in Germany of €6.4 million.

3,518 registered advisers were active for the AWD Group in Germany at 31 March 2009. The enhanced quality and effectiveness of the advice provided is reflected by the increased number of advised customers. A total of 72,400 customers sought AWD's advice in the first quarter of 2009, which is 6,550 more than in the prior-year quarter. The number of advised customers breaks down into 23,000 new customers and 49,400 existing customers who once again received our advice.

## Austria & CEE segment

### CEE region also struggling with the financial crisis

For a long time, the Central and Eastern Europe region was one of the European growth drivers. But since the fourth quarter of 2008, these countries have also been affected by the international economic crisis. Whereas Slovakia, Poland and the Czech Republic have only suffered a distinct growth slowdown or at worst zero growth, other countries in the region are already struggling with recession. In March 2009, the economic outlook for Central and Eastern Europe stabilised slightly once again. The CEE indicator calculated by the Centre for European Economic Research (ZEW) in Mannheim, which reflects the balance of positive and negative assessments for future economic developments in the next six months, increased by a marginal 0.6 of a point compared with the previous month and is now at minus 32.7 points. The region of Central and Eastern Europe is particularly dependent upon demand from the other European countries and much of its trade is via Austria. Approximately 300 large companies manage their Eastern European operations from Vienna. The current improvement of the CEE indicator and the related slightly improved sentiment of the participants in the survey are partially due to economic developments in Austria. Economic expectations for Austria as measured by the ZEW indicator were at minus 18.7 points in March; although still negative, this is 5.3 points better than previously.

### No economic improvement in Austria until 2010

Austrian economic researchers do not expect the country's economy to improve before next year. A slight increase in GDP of 0.2% is expected as of the middle of 2010. Due to the undiminished poor economic situation, unemployment

continues to rise: from 5.8% in 2008 to 7.3% in 2009. For 2010, the unemployment rate is actually expected to reach 8.2%. Economic stimulus packages have been initiated also in Austria, and are the main reason why the Austrian budget deficit will be around 3.5% of GDP in 2009.

### Sharper decline than expected in revenue and EBIT in Austria

Austria's investment-fund industry is also passing through difficult times. After assets under management had more than doubled between 1998 and 2007 from €50 to €111 billion, a slump occurred in 2008 of minus 23% to €80 billion. Although the end of the slump seemed to be in sight in the first quarter of 2009, due to unchanged reservations vis-à-vis equity-based investment products, revenue in the region Austria & CEE was significantly lower than in the prior-year quarter. In the first three months of 2009, commission revenue amounted to €18.7 million, which is 48.1% less than in Q1 2008. The sharper than expected decline in revenue combined with the cost structures still existing had an impact on the operating result (EBIT): it amounted to a loss of €2.7 million in the first quarter of 2009.

1,226 advisers were active in the Austria & CEE region at the end of the quarter, which is 157 fewer than a year earlier. The number of advised customers increased from 45,800 in the first quarter of 2008 to 52,200 at the end of the quarter under review. This positive development was primarily due to the increase in newly advised existing customers to 40,600. The number of newly acquired customers decreased, however, by 4,300 to 11,600.

### ► Key figures Austria & CEE

	January–March 2009	January–March 2008
Revenue	€18.7 million	€36.0 million
EBIT	€-2.7 million	€5.8 million
Advisers*	1,226	1,383
Advised customers	52,200	45,800

\*Advisers as defined by the EU Insurance Mediation Directive or by corresponding local specifications

## Switzerland segment

### Swiss economy burdened by international financial crisis

The consequences of the international financial and credit crisis are having an increasingly negative impact on the Swiss economy. The development of the labour market clearly demonstrates the effects of the economic crisis in Switzerland: The number of people unemployed reached 134,713 this March. Within one year, unemployment rose by 31,000 or 29.8%, according to the Swiss State Secretariat for Economic Affairs (SECO). The unemployment rate of 3.4% is the highest for the past three years. Short-time working arrangements have also risen drastically. At the beginning of the year, 844 Swiss companies introduced short-time work, which is 529 more than in December 2008. According to calculations by the Federal Group of Experts for Economic Forecasts, the unemployment rate is likely to increase to 5.2% by March 2010.

This means that the recession will be considerably more severe than originally assumed. The Swiss State Secretariat for Economic Affairs (SECO) does not anticipate growth until 2010, and then it will be very weak at about 0.1%. This year, the country's economic output is likely to fall by 2.2%. There will be a negative impact on economic development in particular from falling exports and sharp reductions in capital expenditure on property, plant and equipment. Neither is consumer spending providing any appreciable impetus for an economic revival. In view of rising unemployment and the ongoing mood of crisis banking, Switzerland's most important economic sector, the consumer-confidence index was at its lowest point for five years at the beginning of 2009.

The worsened economic outlook continues to reinforce the liquidity-oriented investment attitude of Swiss private customers. Due to the country's three-pillar pension model, the Swiss have very good basic provision for old age. The advisory focus of AWD Switzerland is thus on closing individuals' pension gaps by means of long-term unit-linked life insurance and fund savings plans.

### Stable revenue, reduced operating profit

In the first three months of 2009, AWD Switzerland generated slight revenue growth compared with the prior-year period of €18.5 million. The development of new customers in the region was also positive: From January to March 2009, 3,500 people in Switzerland decided in favour of the AWD Group's holistic and best-select advisory approach. Furthermore, 6,300 core customers once again took advantage of AWD's professional advice in the first quarter of this year. In total therefore, AWD Switzerland provided financial advice to 9,800 customers during the three months under review, which is only 3% fewer than in the prior-year period. The number of advisers decreased slightly: at 31 March 2009, AWD Switzerland had 382 advisers and 17 representative offices.

AWD Switzerland invested in the acquisition and retention of advisers also in the first quarter of this year. The resulting expenditure had an impact on (EBIT). In total, AWD Switzerland posted a first-quarter operating profit of €1.6 million.

### ► Key figures for Switzerland

	January–March 2009	January–March 2008
Revenue	€18.5 million	€18.4 million
EBIT	€1.6 million	€1.8 million
Advisers*	382	398
Advised customers	9,800	10,100

\*Advisers as defined by the FINMA

## United Kingdom segment

### Economic downswing worse than feared

The British economy has been in recession since the third quarter of 2008. According to estimates by British Chancellor of the Exchequer Alistair Darling, the economic downswing will be more severe than forecasted so far. Market experts expect the British government to revise its economic outlook for the year 2009 with the presentation of the budget on 22 April. According to current economic assessments by the OECD, British economic output is likely to shrink by 3.7% this year. GDP already fell by 1.6% in the fourth quarter of 2008 and the decline in the first quarter of 2009 could be at least as high. The United Kingdom has thus been hit particularly hard by the ongoing international financial crisis. The figure of 2.03 million people unemployed in February was the highest for more than a decade. The Bank of England's chief economist expects the unemployment rate to exceed 10% by the beginning of 2010, equivalent to more than three million people out of work. In order to mitigate the effects on the real economy of the international financial crisis, the British central bank reduced its base interest rate to 0.5% in the first quarter, the lowest since 1694.

The worsening recession is particularly affecting the property sector, which is especially important for the British economy. In March 2009, the Halifax house-price index was 17.5% lower than in March 2008.

The rate of property ownership is particularly high in the United Kingdom compared with the rest of Europe. The development of house prices is therefore an important indicator for the wealth of British households. The sharp increase in unemployment and falling house prices continue to cause private customers to maintain a liquidity-focused approach to investment.

### Significant fall in revenue

Private customers' ongoing unwillingness to invest in equity-based products resulted in a significant fall in revenue for the continuing operations of the AWD Group in the United Kingdom. Revenue amounted to €11.1 million, compared with €19.6 million in the prior-year period. The business units sold, the remortgage business (AWD Home Finance) as well as other minor activities are not included in the figures for the reporting period. The prior-year figures have been adjusted accordingly.

6,000 customers were advised during the period of January to March 2009, compared with 7,750 customers advised in the prior-year period. The number of new customers was 2,200, while 3,800 existing customers received our advice once again. The refocusing of business operations that already started in 2008 resulted in a sharp increase in adviser fluctuation in the marginal activities. The number of advisers active for AWD United Kingdom therefore decreased compared with a year earlier by 65 to 250. The number of advisers in the core business units of Wealth Management and Pension Consulting remained fairly stable, however.

### Operating result close to break even

The refocus of business activities resulted in an improvement in the operating result (EBIT) in the first quarter, despite the sharp decline in revenue. Earnings before interest and taxes (EBIT) amounted to minus €0.4 million, compared with minus €2.4 million in the months of January to March 2008.

### ► Key figures for the United Kingdom

	January–March 2009	January–March 2008
Revenue	€11.1 million	€19.6 million
EBIT	€-0.4 million	€-2.4 million
Advisers*	250	315
Advised customers	6.000	7.750

\*Advisers as defined by the EU Insurance Mediation Directive or by corresponding local specifications

## Holding company segment

This segment comprises the administrative functions and business activities of AWD Holding AG. In addition to typical holding-company functions such as finance, controlling and internal auditing, AWD Holding AG is also responsible for other

Group-wide functions such as sales coordination and public relations. The revenue reported for AWD Holding AG was mainly the result of rental payments by companies of the Group.

### ► Key figures for the holding company

	January–March 2009	January–March 2008
Revenue	€0.9 million	€0.9 million
EBIT	€-10.9 million	€-8.5 million

## Revenue by type of commission

The AWD Group generated revenue of €133.4 million in the first quarter of 2009. Of that total, approximately 73% or €97.7 million was accounted for by up-front commission. The AWD Group earns up-front commission primarily by brokering pension and investment-fund products as well as by brokering private health insurance and property insurance.

The AWD Group also generates revenue from recurring and other commission, totalled €30.5 million in the first three months of this year. Recurring and other commission include

all commission that is not directly related to the conclusion of contracts. Recurring and other commission result from management fees for customers as a result of contracts brokered by AWD, commission on dynamic insurance premiums, portfolio commission and commission paid on existing contracts. Furthermore, recurring commission includes commission paid out in instalments on contracts concluded in prior years.

The AWD Group's other revenues amounted to €5.2 million between January and March 2009.

### ► Revenue breakdown

	January–March 2009	January–March 2008
Up-front commission	73,2 %	69,6 %
Recurring commission	22,9 %	26,9 %
Other revenues	3,9 %	3,5 %

## Up-front commission by product group

During the period of January to March 2009, the AWD Group generated 80.7% of its up-front commission from products for retirement provision, risk protection and investment.

Therefore, the main sources of revenue for the AWD Group in the first quarter of this year were once again **unit-linked** policies as well as **investment-fund** and **life-insurance products**.

**Unit-linked products** include fund-based life-insurance and annuity products as well as state-supported retirement products such as Riester, Rürup and company pensions in Germany, and premium-pension policies in Austria, provided that they are based on fund solutions. The contribution to the total revenue of the AWD Group made by unit-linked products reached €40.2 million in the first quarter of this year; their share of up-front commission was 41.1%.

**Life-insurance products'** contribution to the total revenue of the AWD Group amounted to €20.6 million in the first three months of 2009. This product group thus generated 21.1% of the Group's up-front commission. Life-insurance products include traditional life insurance, term life insurance, annuity life insurance, general and occupational disability policies, as well as non-unit-linked state-supported old-age provision and company pension contracts.

In the first quarter of 2009, **investment-fund products** accounted for a 18.5% share of up-front commission. Investment funds contributed €18.1 million to the AWD Group's total revenue.

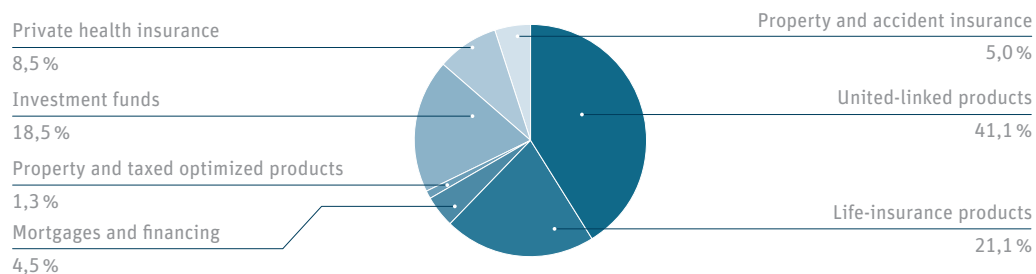
The product group of **mortgages and financing** comprises the brokering of mortgages as well as traditional savings schemes with building societies for prospective home owners in Germany and Austria. The commission generated by the mortgages and financing product group between January and March 2009 amounted to €4.4 million. The share of the AWD Group's up-front commission accounted for by mortgages and financing was 4.5%.

**Property and tax-optimized products** generated revenue of €1.3 million in the first three months of 2009, accounting for 1.3% of the AWD Group's up-front commission during that period.

The product group of **private health insurance** includes full health insurance, supplementary health insurance and illness per-diem insurance. During the reporting period, the AWD Group mainly brokered supplementary health insurance in this area, as a supplement to the benefits provided by statutory health-care systems. This product group's contribution to AWD's total revenue was €8.3 million; its share of up-front commission was 8.5%.

**Property and accident insurance** effectively round off the AWD Group's comprehensive and holistic advisory and customer-care portfolio. In the first three months of this year, the AWD Group achieved revenue of €4.8 million from property and accident insurance. The share of up-front commission generated by this product group was 5.0%.

### ► Breakdown of up-front commission by product group



# AWD's shares

## Stock-exchange prices impacted by fear of recession at the beginning of 2009

Fears that the global economic downturn would worsen increased investors' pessimism and led to further drastic falls in share prices on international stock markets. The most important indices at the world's leading stock exchanges fell significantly. For example, Germany's main share index, the DAX, fell to 3,629 at the beginning of March – its level lowest since October 2003.

According to a recent study by the Forsa, a market-research institute, only a third of people in Germany expect stock-market prices to rise in the next six months.

### ► Performance of AWD's shares and important stock indices

	At closing on 31.03.2009	At closing on 30.12.2008	Change
AWD share price	€31.85	€27.45	16.0%
DAX (German blue chip)	4,084	4,810	-15.1%
MDAX (German mid cap)	4,426	5,602	-21.0%
Dow Jones (USA)	7,609	8,776	-13.3%
Nikkei 225 (Japan)	8,109	8,860	-8.5%
Dow Jones EuroStoxx 50	1,816	2,448	-25.8%
Stoxx 600 (banking sector index)	263	424	-37.9%

Central banks are attempting to mitigate the consequences of the ongoing credit and financial crisis by taking measures designed to secure the liquidity of the banking system and by making further reductions in interest rates. For example, during the first quarter of this year the Bank of England reduced its basic lending rate to 0.5%, its lowest level since 1694. At the beginning of April, the European Central Bank (ECB) reduced its benchmark rate for the sixth time within the past six months by an additional 0.25 of a percentage point to 1.25%.

In view of the continuing contraction of economic output and a very moderate rate of inflation in the euro zone, market

observers anticipate further interest-rate reductions in the coming months.

### ► Stock-exchange data of AWD's shares

ISIN	DE0005085906
German SIN	508590
Stock-exchange abbreviation	AWD
Number of shares on 31 March 2009	38,639,016
Market capitalisation on 31 March 2009	€1,230 million

## Extraordinary General Meeting decides on squeeze-out of minority shareholders

The development of AWD's share price during the period under review was primarily determined by preparations for a squeeze-out of the minority shareholders. The squeeze-out request by Swiss Life Beteiligungs GmbH and the control and profit transfer agreement between AWD Holding AG and Swiss Life Beteiligungs GmbH were the most important items on the agenda of the Extraordinary General Meeting of AWD Holding AG held in Hanover on 24 February 2009. Both of the proposed decisions were approved with large majorities. Following the successful conclusion of the squeeze-out procedure, the stock-exchange listing of shares in AWD Holding AG is to be discontinued. In this case, the shareholders will receive a planned cash compensation of €30 per share.

The Annual General Meeting of AWD Holding AG will be held in Hanover on 4 June 2009.

Trading in AWD shares in Xetra trading at the stock exchange totalled 439,919 shares in the first quarter of this year. AWD's share price in Xetra trading peaked on 23 March 2009 at €31.66; its lowest point was €27.81 on 2 January 2009.

Until and including 14 July 2009, AWD's shares will be listed in the Prime Standard of the Frankfurter Stock Exchange. As of 15 July 2009, AWD's shares will be listed in the General Standard.

# Risk report and outlook

As a supplement to the Group management report presented in Annual Report 2008, the AWD Group reports here on any significant changes to its forecasts and other statements concerning the probable development of business, as well as on opportunities and risks for the Group's ongoing development in the remaining months of this year.

The world economy is in a deep recession. The global financial crisis will continue to have a negative impact on the real economy beyond the year 2009. Unchanged volatile financial markets and undiminished concern about the solvency of individual banks have created a climate of uncertainty. Reduced cash flows between banks and companies combined with customers' significant reticence to make long-term investment decisions are characteristic of the current situation. The spring expertise of the leading economic-research institutes has again revised its forecast for the industrialised countries downwards to minus 4.3%.

## Germany region

For the AWD Group's most important core market, the Institute for the World Economy (IfW) forecasts a decline in economic output of 6.0% in the year 2009. In 2010, the economy should then start to recover slowly, but the experts still expect a contraction of 0.5% in that year. As a reaction to the recession and to stimulate economic growth, the German government has already approved two stimulus programmes comprising a large number of individual actions designed, amongst other things, to encourage consumer demand. To what extent these decisions will have positive effects on the financial services sector cannot yet be assessed. It cannot be ruled out that customers will continue to be very reserved in their long-term investment decisions due to the significant loss of confidence in the financial services sector.

From today's perspective, the AWD Group anticipates a stable development of revenue in the Germany region in the year 2009, despite the difficult market environment. On the earnings side, a temporary decline is expected due to expenses for adviser acquisition and retention. A positive development of revenue and operating profit is forecasted for the year 2010.

## Austria and Central Eastern Europe region

As in the whole of Europe, economic developments in Austria are massively affected by the financial markets. Experts forecast growth of minus 3.2% in 2009. The effects of the global economic and financial-markets crisis are apparent also in the growth regions of Eastern and Central Europe. Growth expectations have been revised significantly downward in those regions as well.

The difficult economic situation is also affecting the development of AWD in the CEE countries and is dampening its short to medium-term growth prospects.

For the year 2009, the uncertain developments in the region mean that a significant decrease in revenue is to be expected. If the described risks actually occur, additional burdens may lead to a significant operating loss. The target for 2010 is a return to a growth path combined with improved profitability.

## Switzerland region

A contracting economy (-2.2%) is forecast also for Switzerland in 2009, and experts of the Swiss state ministry for economy (SECO) expect just a slight growth of 0.1% in 2010. Due to the demographic trends and the design of the pension system (three-pillar system), however, the need for individual pension planning is likely to remain high in the future and demand for products for private retirement provision and risk protection should generally remain stable. Nonetheless, customers will probably remain unwilling to make long-term investment decisions in the present gloomy economic environment.

The AWD Group anticipates a stable revenue trend in Switzerland in the year 2009. Due to expenditure for the acquisition of customers and advisers, earnings are at first expected to fall. A positive development of revenue and earnings is expected for the year 2010.

## United Kingdom region

The business development of AWD UK is also suffering from the recession. And the United Kingdom is additionally affected by the restructuring actions that have been initiated. In the case of ongoing worsening of adviser productivity due to lower numbers or volumes of contracts brokered, the targeted improvement in the operating profitability of AWD UK could be delayed.

For the current year, the AWD Group expects a significant revenue decline in the United Kingdom. Due to the measures taken in 2008, break even should be achieved in 2009. An improvement in operating profitability is targeted for 2010.

## Conclusion

The AWD Group expects 2009 to be a generally difficult year, affected in particular by developments in Austria and the United Kingdom. In terms of revenue, it will be difficult to improve on the prior year. Due to extraordinary effects in the year 2008, however, prior-year net profit could be surpassed. The still difficult to estimate consequences of the international property and credit crisis continue to represent uncertainty for revenue and earnings in 2009. But the AWD Group is confident that it will utilise the opportunities of the crisis to make changes and that it will put the Group in a position to develop sustainably in the coming years.

# Notes to the interim consolidated financial statements

## General remarks

The financial statements for the first quarter of 2009 have been prepared in accordance with the currently valid International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), as well as the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The first-quarter financial statements have been prepared in accordance with IAS 34 (Interim Financial Reporting), and have not been reviewed by external auditors.

## Consolidated group

As well as AWD Holding AG, the consolidated group includes all subsidiaries which are not of minor importance and in which the holding company has a majority of voting rights, either directly or indirectly. These companies are fully consolidated.

## Accounting and valuation methods

With the preparation of these interim financial statements, the same consolidation principles and accounting and evaluation methods have generally been applied as with the consolidated financial statements for full-year 2008. A detailed description of the accounting and valuation methods used was given in the notes to the consolidated financial statements of Annual Report 2008.

Due to the sale of some business operations in the British market and their resulting deconsolidation as of 1 January 2009, it has been necessary to adjust the prior-year figures in the income statement. No changes have been made to the balance sheet or cash flow statement.

# Income statement

## Income statement

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
<b>Revenue</b>	<b>133.4</b>	<b>169.6</b>	<b>-21.3%</b>
Cost of sales	-84.5	-94.8	-10.9%
<b>Gross profit</b>	<b>48.9</b>	<b>74.8</b>	<b>-34.6%</b>
Selling expenses	-32.0	-31.5	1.6%
Administrative expenses	-23.5	-24.6	-4.5%
Other operating income	0.7	0.6	16.7%
Other operating expenses	-0.1	-0.1	0.0%
<b>Operating profit (EBIT)</b>	<b>-6.0</b>	<b>19.2</b>	<b>n.a.</b>
Financial income	0.2	0.8	-75.0%
<b>Earnings before taxes</b>	<b>-5.8</b>	<b>20.0</b>	<b>n.a.</b>
Income taxes	0.3	-5.9	n.a.
<b>Net profit/loss for the period</b>	<b>-5.5</b>	<b>14.1</b>	<b>n.a.</b>

# Notes on the income statement

## Revenue

The revenue of the AWD Group consists of up-front commission, recurring commission and other commission as well as other revenue (e.g. from charging self-employed financial advisers for the advertising and training materials provided to them).

### ► Revenue

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Up-front commission	97.7	118.0	-17.2%
Recurring and other commission	30.5	45.7	-33.3%
Other revenue	5.2	5.9	-11.9%
<b>Total</b>	<b>133.4</b>	<b>169.6</b>	<b>-21.3%</b>

## Cost of sales

This item comprises not only commission payments to self-employed financial advisers, but also personnel expenses for salaried employees who work in the areas of product brokering and customer advice. It also includes material expenses, changes in provisions related to revenue and guarantee expenses.

### ► Cost of sales

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Commission expenses	73.5	83.1	-11.6%
Personnel expenses	4.5	6.6	-31.8%
Material expenses	3.7	3.9	-5.1%
Other expenses	2.8	1.2	>100%
<b>Total</b>	<b>84.5</b>	<b>94.8</b>	<b>-10.9%</b>

## Selling expenses

Selling expenses include the costs of the operating functions of sales support and supervision, events, training and sales promotion.

### ► Selling expenses

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Personnel expenses	11.9	9.8	21.4%
Depreciation and amortisation	0.9	0.7	28.6%
Infrastructure expenses	4.2	4.9	-14.3%
IT and communication	1.2	1.6	-25.0%
Events, training, incentives	6.0	5.6	7.1%
Sales promotion	6.5	7.9	-17.7%
Services and other expenses	1.3	1.0	30.0%
<b>Total</b>	<b>32.0</b>	<b>31.5</b>	<b>1.6%</b>

## Administrative expenses

Administrative expenses include the costs of operating functions such as processing customer applications, partner and product management, IT, purchasing and general administration.

### ► Administrative expenses

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Personnel expenses	12.6	13.7	-8.0%
Depreciation and amortisation	2.1	2.7	-22.2%
Infrastructure expenses	2.9	2.6	11.5%
IT and communication	2.3	2.9	-20.7%
Services and other expenses	3.6	2.7	33.3%
<b>Total</b>	<b>23.5</b>	<b>24.6</b>	<b>-4.5%</b>

## Financial income

### ► Financial income

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Interest income	0.4	2.4	-83.3%
Changes in exchange rates	0.0	-1.5	100.0%
Loss on equity investments	-0.2	-0.1	-100.0%
<b>Total</b>	<b>0.2</b>	<b>0.8</b>	<b>-75.0%</b>

## Depreciation, amortisation and impairments

### ► Depreciation, amortisation and impairments

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Intangible assets	1.0	1.3	-23.1%
Property, plant and equipment	2.0	2.2	-9.1%
Financial assets	0.2	0.1	100.0%
<b>Total</b>	<b>3.2</b>	<b>3.6</b>	<b>-11.1%</b>

### Income taxes

Income taxes for the period were measured separately by segment on the basis of the best estimate of the weighted average effective income-tax rate for the full year. This tax rate was applied to earnings before taxes as shown in the interim financial statements. Deferred taxes were calculated with the use of probable future effective tax rates.

### Earnings per share

Basic earnings per share are determined by dividing net profit for the period by the weighted average number of issued shares. For the calculation of diluted earnings per share, the weighted average number of issued shares is adjusted to reflect the number of all potentially exercisable dilutive share options. It is intended to serve the outstanding options by way of cash compensation. The number of basic shares and the number of diluted shares are therefore identical.

### ► Earnings per share

	01.01.09–31.03.09	01.01.08–31.03.08
Net profit/loss for the period	€-5.5 million	€14.1 million
<b>Basic earnings</b>		
Number of shares	38,639,016	38,639,016
<b>Earnings per share</b>	<b>€-0.14</b>	<b>€0.37</b>
<b>Diluted earnings</b>		
Number of shares	38,639,016	38,692,102
<b>Earnings per share</b>	<b>€-0.14</b>	<b>€0.36</b>

# Balance sheet

## ASSETS

€ million	31.03.2009	31.12.2008	Change
Intangible assets	76.8	77.2	-0.5%
Property, plant and equipment	47.0	48.3	-2.7%
Financial assets	0.7	0.2	>100%
Deferred tax assets	2.2	1.3	69.2%
Other non-current assets	25.8	25.2	2.4%
<b>Non-current assets</b>	<b>152.5</b>	<b>152.2</b>	<b>0.2%</b>
Inventories	2.2	2.2	0.0%
Trade receivables	82.3	99.8	-17.5%
Other current assets	45.7	40.9	11.7%
Cash and cash equivalents	50.3	52.3	-3.8%
<b>Current assets</b>	<b>180.5</b>	<b>195.2</b>	<b>-7.5%</b>
<b>Total assets</b>	<b>333.0</b>	<b>347.4</b>	<b>-4.1%</b>

## EQUITY AND LIABILITIES

€ million	31.03.2009	31.12.2008	Change
Issued capital	38.6	38.6	0.0%
Capital reserve	0.0	0.0	0.0%
Retained earnings	9.4	9.4	0.0%
Balance sheet profit	-5.4	0.1	n.a.
Accumulated changes in equity not affecting profit	-1.7	-1.9	10.5%
<b>Equity</b>	<b>40.9</b>	<b>46.2</b>	<b>-11.5%</b>
Retirement benefit obligation	1.8	1.7	5.9%
Non-current provisions	32.7	31.9	2.5%
Non-current financial liabilities	0.1	0.0	>100%
Deferred tax liabilities	5.8	5.7	1.8%
Other non-current liabilities	45.7	45.6	0.2%
<b>Non-current liabilities</b>	<b>86.1</b>	<b>84.9</b>	<b>1.4%</b>
Trade payables	108.1	113.9	-5.1%
Current provisions	88.0	93.4	-5.8%
Current financial liabilities	0.0	0.0	0.0%
Other current liabilities	9.9	9.0	10.0%
<b>Current liabilities</b>	<b>206.0</b>	<b>216.3</b>	<b>-4.8%</b>
<b>Total equity and liabilities</b>	<b>333.0</b>	<b>347.4</b>	<b>-4.1%</b>

# Notes on the balance sheet

## Asset structure

### ► Assets

€ million	31.3.2009	Proportion	31.12.2008	Proportion
Non-current assets	152.5	45.8%	152.2	43.8%
Current assets (excluding cash and cash equivalents)	130.2	39.1%	142.9	41.1%
Cash and cash equivalents	50.3	15.1%	52.3	15.1%
<b>Total assets</b>	<b>333.0</b>	<b>100%</b>	<b>347.4</b>	<b>100%</b>

## Capital structure

### ► Capital

€ million	31.3.2009	Proportion	31.12.2008	Proportion
Equity	40.9	12.3%	46.2	13.3%
Non-current liabilities	86.1	25.8%	84.9	24.4%
Current liabilities	206.0	61.9%	216.3	62.3%
<b>Total equity and liabilities</b>	<b>333.0</b>	<b>100%</b>	<b>347.4</b>	<b>100%</b>

## Statement of recognised income and expense

The presentation of all changes in equity recognised in the period takes place in two separate items of the financial statements: In addition to the income statement, such changes in assets and liabilities affecting equity that do not affect profit for the period are shown in the statement of recognised income and expense. This primarily includes changes in the adjustment

item from the translation of the financial statements of consolidated companies denominated in foreign currencies. The statement of recognised income and expense starts with the net profit or loss for the period and leads, via the aforementioned items, to the amounts recognised directly in equity (comprehensive income).

### ► Recognised income and expense

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Profit/loss for the period	-5.5	14.1	n.a.
Equity-induced currency-translation differences	0.3	-0.2	n.a.
Other currency-translation differences	-0.1	0.0	-100%
<b>Amounts recognised directly in equity</b>	<b>-5.3</b>	<b>13.9</b>	<b>n.a.</b>

## Statement of changes in equity

### ► Changes in equity

€ million	Issued capital	Capital reserve	Retained earnings	Net profit/loss	Total
<b>Balance at 01.01.2008</b>	<b>38.6</b>	<b>12.9</b>	<b>7.1</b>	<b>61.9</b>	<b>120.5</b>
Net profit/loss continuing operations				13.9	13.9
Net profit/loss discontinued operations				-1.0	-1.0
Withdrawal from reserves					0.0
Allocation to reserves					0.0
Other changes			0.1		0.1
<b>Balance at 31.03.2008</b>	<b>38.6</b>	<b>12.9</b>	<b>7.2</b>	<b>74.8</b>	<b>133.5</b>
<b>Balance at 01.01.2009</b>	<b>38.6</b>	<b>0.0</b>	<b>9.4</b>	<b>-1.8</b>	<b>46.2</b>
Net profit/loss				-5.3	-5.3
Withdrawal from reserves					0.0
Allocation to reserves					0.0
Other changes					0.0
<b>Balance at 31.03.2009</b>	<b>38.6</b>	<b>0.0</b>	<b>9.4</b>	<b>-7.1</b>	<b>40.9</b>

# Notes on the cash flow statement

The cash flow statement shows changes in cash and cash equivalents caused by payments made and received in

connection with operating activities, investing activities and financing activities.

## ► Cash flow statement

€ million	01.01.09–31.03.09	1.1.08–31.3.08	Change
<b>Operating profit (EBIT)</b>	<b>-6.0</b>	<b>17.8</b>	<b>n.a.</b>
Financial income	0.2	0.8	-75.0%
Income taxes	0.3	-5.5	n.a.
<b>Net profit/loss for the period</b>	<b>-5.5</b>	<b>13.1</b>	<b>n.a.</b>
Depreciation, amortisation and impairments	3.2	3.7	-13.5%
Increase (+) / Decrease (-) in provisions	-5.3	-5.5	-3.6%
Other expenses (+) / income (-) not affecting cash	-0.8	0.5	n.a.
Decrease (+) / increase (-) in inventories, receivables and other assets	11.8	14.8	-20.3%
Increase (+) / decrease (-) in payables and other liabilities	-4.5	-17.6	-74.4%
<b>Cash flow from operating activities</b>	<b>-1.1</b>	<b>9.0</b>	<b>n.a.</b>
<b>Cash flow from investing activities</b>	<b>-1.7</b>	<b>-1.2</b>	<b>41.7%</b>
<b>Cash flow from financing activities</b>	<b>0.2</b>	<b>0.0</b>	<b>&gt;100%</b>
<b>Net change in cash and cash equivalents</b>	<b>-2.6</b>	<b>7.8</b>	<b>n.a.</b>
Changes related to currency translation and consolidation	0.6	-0.2	n.a.
Cash and cash equivalents at beginning of period	52.3	170.8	-69.4%
<b>Cash and cash equivalents at end of period</b>	<b>50.3</b>	<b>178.4</b>	<b>-71.8%</b>

Operating activities resulted in a cash outflow of €1.1 million, primarily comprising the net loss for the first quarter of €5.5 million, adjustments for items with no effects on cash such as depreciation, and the changes in assets and liabilities resulting from operating activities. The reduction

of €11.8 million in receivables and other assets mainly reflects the reduction in trade receivables. The reduction of €4.5 million in payables and other liabilities was mainly related to the decrease in trade payables.

The cash flow from investing activities amounted to a net outflow of €1.7 million in the reporting period.

► Cash flow from investing activities

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Payments made for investments in intangible assets and property, plant and equipment	-1.0	-2.7	-63.0%
Proceeds from the disposal of intangible assets and property, plant and equipment	0.0	2.0	-100.0%
Payments made for investments in financial assets	-0.7	-0.5	40.0%
<b>Total</b>	<b>-1.7</b>	<b>-1.2</b>	<b>41.7%</b>

The free cash flow is the balance of the cash flow from operating activities and investments in property, plant and equipment and intangible assets.

► Freier Cashflow

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Cash flow from operating activities	-1.1	9.0	n.a.
Investments in property, plant and equipment and intangible assets	-1.0	-2.7	-63.0%
<b>Free cash flow</b>	<b>-2.1</b>	<b>6.3</b>	<b>n.a.</b>
Average number of shares	38.639.016	38.639.016	0.0%
<b>Free cash flow per share (€)</b>	<b>-0.06</b>	<b>0.16</b>	<b>n.a.</b>

# Other notes

## Stock-option plans

In the past, AWD Holding AG issued share options to employees and self-employed financial advisers of several companies of the Group.

The details of these stock-option plans are provided in Annual Report 2007. Since 2008, no new stock-option plans have been implemented.

### ► Numbers of share options

	SOP 2004	SOP 2005	SOP 2006	SOP 2007	Total
Outstanding on 01.01.2009	294.521	73.902	3.767	114.034	486.224
Granted in 2009	0	0	0	0	0
Exercised in 2009	-263.287	-67.396	-3.767	0	-334.450
Forfeited in 2009	-31.234	-6.506	0	-13.259	-50.999
Lapsed in 2009	0	0	0	0	0
<b>Outstanding on 31.03.2009</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.775</b>	<b>100.775</b>
Exercise price	€28.59	€29.25	€25.75	€32.82	
<b>Exercisable on 31.03.2009</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The exercise period for the 2004 stock-option plan expired in the first quarter of 2009. In total, 334,450 share options from the stock-option plans of 2004 to 2006 were exercised by way of cash

compensation. During the same period, 50,999 options were forfeited. Only the 100,775 share options from the 2007 stock-option plan are still outstanding.

## Own shares

AWD Holding AG did not hold any of its own shares at the interim balance sheet date of 31 March 2009.

## Workforce

The AWD Group employed 1,678 persons at 31 March 2009. One year earlier, the workforce comprised 1,822 persons. The prior-year

number has been adjusted to reflect the continuing operations, like the items of the income statement.

### ► Personnel expenses

€ million	01.01.09–31.03.09	01.01.08–31.03.08	Change
Wages and salaries	24.1	25.1	-4.0%
Social-security levies	4.9	5.0	-2.0%
<b>Personnel expenses</b>	<b>29.0</b>	<b>30.1</b>	<b>-3.7%</b>

## Boards of AWD Holding AG

In the period under review, the Supervisory Board of AWD Holding AG comprised:

### ► Supervisory Board of AWD Holding AG

<b>Bruno Pfister</b>	Chairman of the Supervisory Board, Chairman of the Nomination and Personnel Committee
<b>Beat W. Hubacher</b>	Deputy Chairman of the Supervisory Board, Chairman of the Audit Committee, Member of the Nomination and Personnel Committee
<b>Dr. Hans Vieregge</b>	Member of the Audit Committee
<b>Dr. Ivo Furrer (since 24 February 2009)</b>	Member of the Audit Committee
<b>Dr. Michael Frenzel</b>	
<b>Prof. Dr. Utz Claassen</b>	Member of the Nomination and Personnel Committee

In the period under review, the Board of Management of AWD Holding AG comprised:

### ► Board of Management of AWD Holding AG

<b>Carsten Maschmeyer (until 31 March 2009)</b>	Chairman of the Board of Management (Co-CEO)
<b>Manfred Behrens</b>	Chairman of the Board of Management (CEO) (since 1 April 2009) Co-Chairman of the Board of Management (Co-CEO) (until 31 March 2009)
<b>Nils Frowein</b>	Deputy Chairman of the Board of Management (COO)
<b>Wilhelm Zsifkovits</b>	Member of the Board of Management (CSO)
<b>Dr. Martin Jünke</b>	Member of the Board of Management (CFO)
<b>Marco Baur</b>	Member of the Board of Management (CRO Switzerland)
<b>Dr. Rolf Wiswesser</b>	Member of the Board of Management (CRO Germany)

## Related-party transactions

During the first quarter of 2009, AWD Holding AG and the companies of the Group received commission of €8.3 million from the Swiss Life Group. The volume of the other transactions with related parties during that period was not significant.

AWD Holding AG has an insurance policy that covers liability for financial loss (so-called directors' and officers' insurance) with an appropriate excess/deductible for the members of the Supervisory Board and of the Board of Management or for AWD Holding AG.

# Responsibility statement by the Board of Management

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group's interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated

with the expected development of the Group for the remaining months of the financial year.

**Hanover, May 2009**

**AWD Holding AG  
– The Board of Management –**

## Disclaimer

This report contains forward-looking statements. Forward-looking statements are statements that do not describe facts from the past; they include statements about our assumptions and expectations. Each statement in this report that expresses our expectations, forecasts, intentions or assumptions is a forward-looking statement and thus relates to the future. Such future-oriented statements are based on the plans, estimates and projections that are currently available to the Board of Management of AWD Holding AG. We do not accept any obligation or guarantee to update any such statements in the light of new information or future events. Future-oriented and forward-looking statements are naturally subject to risks and uncertainties. A large number of important factors can contribute to actual future events and develop-

ments differing significantly from forward-looking statements. Therefore, we cannot guarantee that the assumptions and expectations will prove to be correct. The factors that can cause such deviations include, among others, the circumstances of financial markets in our core business areas and markets, changes in the general economic situation and the competitive situation, exchange-rate and interest-rate fluctuations, changes in national and international legislation, especially pertaining to tax regulations changes in capital investment or company strategy, and general business risks.

**AWD Holding AG**

Investor Relations

AWD-Platz 1

30659 Hanover

Germany

Phone +49 (0)511 9020-51 20

Fax +49 (0)511 9020-51 21

Email [investor.relations@AWD.de](mailto:investor.relations@AWD.de)

Internet [www.AWD-Group.com/ir](http://www.AWD-Group.com/ir)

