



KIZOO AG

HALF-YEAR FINANCE REPORT

AS OF JUNE 30, 2009

**FINANCIALS AT A GLANCE** / in mln. €

	Q1-Q2/2009	Q1-Q2/2008	Q2 / 2009	Q2 / 2008
OTHER OPERATING INCOME	3.3	0	3.3	0
GENERAL ADMINISTRATION COSTS	-1.6	-2.8	-0.9	-1.3
RESEARCH AND DEVELOPMENT COSTS	-0.2	0	-0.1	0
OPERATING INCOME FROM THE CONTINUED BUSINESS LINES	1.5	-2.8	2.3	-1.3
FINANCIAL INCOME	0.7	13.4	0.4	12.1
PROFIT / (LOSS) BEFORE TAX	2.2	10.6	2.7	10.8
PROFIT / (LOSS) FROM CONTINUED BUSINESS LINES	2.2	10.6	2.7	10.8
PROFIT / (LOSS) FROM DISCONTINUED BUSINESS LINES	-0.6	-1.8	-0.4	-0.4
PROFIT / (LOSS) FOR THE PERIOD	1.7	8.8	2.3	10.4
OTHER PROFIT / (LOSS) FOR THE PERIOD (AFTER TAX)	47.8	-107.9	48.1	-31.8
COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	49.4	-99.1	50.4	-21.5
EARNINGS PER SHARE (IN €)	0.05	0.26	0.07	0.32
CASH AND CASH EQUIVALENTS AND OTHER SECURITIES (INCL. UNITED INTERNET SHARES)	241.6	347.3	241.6	347.3
SHAREHOLDERS' EQUITY	255.0	360.1	255.0	360.1
BALANCE SHEET TOTAL	266.2	376.7	266.2	376.7



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LETTER TO SHAREHOLDERS

FROM THE EXECUTIVE BOARD OF KIZOO AG

DEAR SHAREHOLDERS,

During the first half-year 2009 the company was able to maintain a sound position and generate a profit. In an extremely difficult market environment Kizoo is currently deliberately restrictive as far as investments in the Technology Ventures business line are concerned. It focused during the first six months of the year on the investment in the free-of-charge online dating service called "Find&Smile", developed by its wholly owned subsidiary 705 West GmbH. The General Meeting on May 26, 2009 confirmed the orientation and backed the management. At present the company carries out several mergers in order to streamline its corporate structure and make it even more efficient. The realization of the discontinued business lines "Real Property" and "Data Center" is on track, and we are very confident that we can reach a conclusion in the near future.

GENERAL MEETING 2009 AND NEW INVESTMENT "FIND&SMILE"

This year's General Meeting was held in Karlsruhe on May 26. All draft resolutions of the management were approved with a large majority. Amongst others, the implementation of a further share buyback program, with validity from September 1, 2009, was approved. At the General Meeting, the second investment of Kizoo AG in an Internet venture – 705 West GmbH with its free-of-charge online dating service "Find&Smile" – was presented. As opposed to the many other dating offerings on the Web, Find&Smile positions itself as a completely free-of-charge service. The investment covers current expenses, mainly in research and development as well as in respect of the market launch.

Furthermore, the Executive Board and the Supervisory Board took up the suggestion made by the shareholders to adjust the Group structure to the overall conditions and decided to merge three no longer operating Group companies into Kizoo AG. The mergers are currently being implemented and the entry in the commercial register is anticipated for early August.

During the second quarter 2009 we reviewed a large number of investment possibilities. The technological and economic opportunities and risks of innovative business models are extremely difficult to assess in the current economic and financial crisis so that no additional financing commitments were made. We are optimistic that during the second half-year 2009 new investment opportunities will be available for interesting ventures with at the same time an attractive valuation level. Our existing investment in the language portal babel.com develops on schedule.

FINANCIALS DURING THE FIRST HALF-YEAR 2009

The first half-year 2009 developed as planned in operating terms on a significantly reduced cost level versus prior year.



The half-year result was considerably impacted by a court settlement with a former asset manager of the company who has now committed to pay damages totaling € 3.3 million to Kizoo AG under litigation which had been pending since 2003. This resulted in other operating income in the same amount which will be available as liquid assets during the third quarter.

When including this income unrelated to the accounting period, earnings before interest and taxes (EBIT) amounted on a Group level during the reporting period Q2/2009 to € 2.3 million (Q2/2008: € -1.3 million). For Q2/2009 the EBITDA (earnings before interest, taxes, depreciation and amortization) amounted to € 2.4 million (Q2/2008: € -1.1 million) with scheduled depreciations and amortizations in the amount of € 0.1 million.

During the second quarter of fiscal 2009 the investment of liquid assets and other securities generated a positive financial result of € 0.4 million (Q2/2008: € 12.1 million including profit from share sales during that quarter). The result from continued business lines totaled € 2.8 million (Q2/2008: EUR 10.4 million). Furthermore, the result from the discontinued business lines "Real Estate" and "Data Center" in the amount of € -0.4 million (Q2/2008: € -0.4 million) needs to be taken into account. Consequently, the result for the period of the second quarter 2009 amounts to € 2.3 million (Q2/2008: € 10.4 million).

The comprehensive income of the Group to be reported in accordance with IAS 1 since this quarter amounts for the second quarter to € 50.4 million (Q2/2008: € -21.5 million). This includes € 48.1 million variations in value of financial instruments held included in the statement of comprehensive income, more particularly of the United Internet shares.

At the end of June the shareholders' equity of the company amounted to € 255.0 million and was significantly above the level of March 31, 2009 (€ 204.5 million). On the reporting date June 30, 2009 the equity ratio was hence 95.7 percent.

For the full first half-year 2009 the operating cash flow amounted to € -2.1 million versus € -5.1 million during the comparative half year of fiscal 2008. Like in the previous year, no noteworthy investments were made. During the past half-year no share buyback took place.

SHAREHOLDING IN UNITED INTERNET AG AND OTHER FINANCIAL INVESTMENTS

The shareholding of Kizoo AG in United Internet is still around 8.8 percent. The share recorded a positive price development during the past months and closed on the reporting date June 30, 2009 at € 8.34. Consequently, the value of our block of shares increased during the second quarter alone by € 45.5 million. After a profit share in the amount of € 4.4 million last year, United Internet AG will not pay any dividend for fiscal 2008 due to the considerable valuation allowance requirements of the listed investees of the company. Based on the ongoing very good operating earnings capacity of United Internet, we are confident that this will not be repeated next year and that the share will in future have a good development. We constantly review of course the economic development of our largest financial investment against the backdrop of the capital market conditions.



The other financial investments (€ 56.4 million, including € 28.3 million overnight investments) developed in a stable manner, albeit with declining financial earnings, due to the interest rate development and our continuing very conservative new investment policy.

OUTLOOK

The company continues to expect improved entry possibilities for Technology Ventures in particular during the second half of the year. A wealth of interesting business ideas on the market encourages us to continuously pursue our way in the field of Technology Ventures.

The shareholding in United Internet continues to be of great significance for the assets situation of our company. We continue to believe that the company has a significant upside potential in terms of valuation. The positive share price development of the past months has confirmed our view.

Operating expenses will remain on the same level during the second half-year. Other savings are possible if the realization of the Real Estate and Data Center can be implemented as planned.

We thank you for your loyalty and we would be pleased if we could continue to count you among our Shareholders in the future, too.

THE EXECUTIVE BOARD KIZOO AG



FINANCIALS H1/2009



01 ..

**CONSOLIDATED PROFIT AND LOSS STATEMENT
(IFRS) AS OF JUNE 30, 2009**

/ in T€

	Q1-Q2/2009	Q1-Q2/2008	Q2 / 2009	Q2 / 2008
REVENUES	0	0	0	0
COST OF SALES	0	0	0	0
GROSS PROFIT	0	0	0	0
OTHER OPERATING INCOME	3,312	0	3,312	0
MARKETING AND ADVERTISING	-43	0	-43	0
GENERAL ADMINISTRATION COSTS	-1,586	-2,763	-879	-1,317
RESEARCH AND DEVELOPMENT	-165	0	-84	0
OPERATING RESULT	1,518	-2,763	2,306	-1,317
FINANCIAL INCOME	729	13,075	381	11,820
FINANCIAL EXPENSES	-40	304	-1	304
FINANCIAL RESULT	689	13,379	380	12,124
NET RESULT BEFORE TAXES	2,207	10,616	2,686	10,807
TAX EXPENSE	-3	0	-1	0
RESULT FROM CONTINUED OPERATION	2,204	10,616	2,685	10,807
RESULT FROM DISCONTINUED OPERATIONS	-552	-1,817	-413	-412
RESULT FOR THE PERIOD	1,652	8,799	2,272	10,395
OTHER RESULT				
CHANGE IN FAIR VALUE OF FINANCIAL INSTRUMENTS AVAILABLE FOR SALE	47,794	-107,853	48,098	-31,848
OTHER RESULT FOR THE PERIOD (AFTER TAXES)	47,794	-107,853	48,098	-31,848
NET RESULT FOR THE PERIOD	49,446	-99,054	50,369	-21,453



01 ..

**CONSOLIDATED PROFIT AND LOSS STATEMENT
(IFRS) AS OF JUNE 30, 2009**

/ in T€

	Q1-Q2/2009	Q1-Q2/2008	Q2 / 2009	Q2 / 2008
EARNINGS PER SHARE (IN €)				
.. <i>undiluted</i>	0.05	0.26	0.07	0.32
.. <i>diluted</i>	0.05	0.26	0.07	0.31
EARNINGS PER SHARE FROM CONTINUED OPERATION				
.. <i>undiluted</i>	0.07	0.28	0.08	0.33
.. <i>diluted</i>	0.07	0.28	0.08	0.32
EARNINGS PER SHARE FROM DISCONTINUED OPERATIONS				
.. <i>undiluted</i>	-0.02	-0.02	-0.01	-0.01
.. <i>diluted</i>	-0.02	-0.02	-0.01	-0.01
AVERAGE NUMBER OF OUTSTANDING SHARES UNDILUTED	31,717,212	33,507,671	31,717,212	32,909,052
AVERAGE NUMBER OF OUTSTANDING SHARES DILUTED	32,015,700	33,828,336	32,117,511	33,393,318



02 ..

**CONSOLIDATED BALANCE SHEET (IFRS)
AS OF JUNE 30, 2009**

/ in T€

	06/30/2009	12/31/2008
ASSETS		
LONG-TERM ASSETS		
INTANGIBLE ASSETS	65	81
PROPERTY, PLANT AND EQUIPMENT	925	1,010
OTHER LENDINGS	56	64
INVESTMENTS	400	400
MARKETABLE SECURITIES	211,566	25,961
TOTAL LONG-TERM ASSETS	213,013	27,516
SHORT-TERM ASSETS		
CASH AND CASH EQUIVALENTS	28,309	26,894
MARKETABLE SECURITIES	1,696	142,748
TRADE ACCOUNTS RECEIVABLE	37	60
TAX REFUND CLAIMS	3,351	2,796
OTHER ASSETS AND DEFERRED EXPENSES	3,517	465
SUBTOTAL SHORT-TERM ASSETS	36,910	172,963
NON-CURRENT ASSETS HELD FOR SALE	16,287	16,561
TOTAL SHORT-TERM ASSETS	53,197	189,524
TOTAL ASSETS	266,210	217,040



02 ..

**CONSOLIDATED BALANCE SHEET (IFRS)
AS OF JUNE 30, 2009**

/ in T€

	06/30/2009	12/31/2008
LIABILITIES		
SHAREHOLDERS' EQUITY		
COMMON SHARES AT € 1	31,717	31,717
CAPITAL RESERVE	44,264	44,254
OTHER RESERVE	26,056	-21,738
ACCUMULATED TOTAL RESULT	152,801	151,149
TOTAL SHAREHOLDERS' EQUITY	254,838	205,382
SHORT-TERM LIABILITIES		
TRADE ACCOUNTS PAYABLE	165	253
PROVISIONS	998	1,094
OTHER SHORT-TERM LIABILITIES	1,200	1,109
SUBTOTAL SHORT-TERM LIABILITIES	2,363	2,456
LIABILITIES CONCERNING NON-CURRENT ASSETS HELD-FOR-SALE	9,008	9,202
TOTAL SHORT-TERM LIABILITIES	11,372	11,658
TOTAL LIABILITIES	266,210	217,040



03 ..

**CONSOLIDATED CASH FLOW STATEMENT (IFRS)
AS OF JUNE 30, 2009**

/ in T€

	06/30/2009	06/30/2008
CASH FLOW FROM OPERATING ACTIVITIES		
NET RESULT FOR THE PERIOD	1,652	8,799
FINANCIAL YIELD	-729	-6,467
INTEREST PAID	247	398
TAX PAID	3	0
DEPRECIATION / AMORTIZATION ON INTANGIBLE ASSETS AND TANGIBLE ASSETS	111	1,258
DEPRECIATION / AMORTIZATION ON LONG-TERM ASSETS CLASSIFIED AS HELD-FOR-SALE	269	0
RESULT FROM THE RETIREMENT OF AVAILABLE-FOR-SALE ASSETS	0	29
OTHER NON-CASH INCOME	-3,498	0
EXPENDITURE FROM EMPLOYEE STOCK OPTION PLAN	10	29
RESULT FROM SALES OF MARKETABLE SECURITIES	39	-7,044
CHANGES IN TRADE ACCOUNTS RECEIVABLE	-64	-91
OTHER ASSETS AND DEFERRED EXPENSES	-64	-203
CHANGES IN SHORT-TERM LIABILITIES AND DEFERRED INCOME	180	-2,716
TAX REFUND	0	923
TAXES PAID	-236	0
CASH FLOW FROM OPERATING ACTIVITIES	-2,080	-5,085
.. <i>therof from continued operation</i>	-2,040	-3,401
.. <i>therof from discontinued operation</i>	-40	-1,684



03 ..

**CONSOLIDATED CASH FLOW STATEMENT (IFRS)
AS OF JUNE 30, 2009**

/ in T€

	06/30/2009	06/30/2008
CASH FLOW FROM INVESTING ACTIVITIES		
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT	-10	-88
CHANGE IN MARKETABLE SECURITIES	-343	15,565
INCOMING PAYMENTS FROM SALES OF MARKETABLE SECURITIES	3,000	13,770
DIVIDENDS RECEIVED	0	4,440
INTEREST RECEIVED	1,273	2,758
INCOMING PAYMENTS FROM THE RETIREMENT OF HELD-FOR-SALE ASSETS	7	1,187
CASH FLOW FROM INVESTING ACTIVITIES	3,927	37,632
.. <i>therof from continued operation</i>	3,920	36,445
.. <i>therof from discontinued operation</i>	7	1,187
CASH FLOW FROM FINANCING ACTIVITIES		
DIVIDENS PAID	0	-40,310
CAPITAL INCREASE	0	983
ACQUISITION OF TREASURY STOCK	0	-30,152
REPAYMENTS OF LIABILITIES OF THE PROPERTY LEASING COMPANY	-194	-416
REPAYMENTS OF LOANS	8	18
INTEREST PAID	-247	-398
CASH FLOW FROM FINANCING ACTIVITIES	-433	-70,275
.. <i>therof from continued operation</i>	8	-69,461
.. <i>therof from discontinued operation</i>	-441	-814
INCREASE OF CASH AND CASH EQUIVALENTS	1,415	-37,728
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	26,894	44,280
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	28,309	6,552



04 ..

**DEVELOPMENT OF SHAREHOLDERS' EQUITY (IFRS)
FROM 01/01/2009 TO 06/30/2009**

/ in T€

JANUARY 1, 2008

RESULT FOR THE PERIOD

TRANSACTIONS WITH HOLDERS

CAPITAL INCREASE OF SHARE OPTIONS

CANCELLATION OF TREASURY STOCK

ACQUISITION OF TREASURY STOCK

EFFECT FROM EMPLOYEE STOCK OPTION PLAN

DIVIDEND

JUNE 30, 2008**JANUARY 1, 2009**

RESULT FOR THE PERIOD

TRANSACTIONS WITH HOLDERS

CAPITAL INCREASE OF SHARE OPTIONS

CANCELLATION OF TREASURY STOCK

ACQUISITION OF TREASURY STOCK

EFFECT FROM EMPLOYEE STOCK OPTION PLAN

DIVIDEND

JUNE 30, 2009



Common stock	Capital reserve	Other reserves	Accumulated result	Treasury stock	Total
35,001	80,408	223,637	199,863	-10,350	528,559
		-107,853	8,799		-99,054
127	-224			1,080	983
-3,417	-36,005			39,422	0
				-30,152	-30,152
	29				29
			-40,310		-40,310
31,711	44,208	115,784	168,352	0	360,055
31,717	44,253	-21,738	151,150	0	205,382
		47,794	1,652		49,446
					0
					0
					0
	10				10
					0
31,717	44,263	26,056	802	0	254,838



NOTES TO THE CONDENSED FINANCIAL STATEMENTS H1/2009



NOTES TO THE CONDENSED FINANCIAL STATEMENTS AS OF JUNE 30, 2009 (UNAUDITED)

1. INFORMATION ABOUT THE COMPANY

Kizoo AG, with registered office at Amalienbadstrasse 41, 76227 Karlsruhe, is a development and investment company with a focus on Internet services and digital communication. Apart from investments in own products, the company acquires shareholdings primarily in young, innovative ventures with high growth potential. Furthermore, the company manages its own assets.

The company has been listed on the stock exchange since February 2000.

2. BUSINESS DEVELOPMENT DURING THE FIRST HALF-YEAR 2009

The first half-year 2009 developed as planned with considerably lower expenses versus prior year. In the Technology Ventures business line the wholly owned subsidiary 705 West GmbH invested in the free-of-charge online dating service "Find&Smile". The service was developed by 705 West GmbH to market maturity and went live immediately before the General Meeting in May. The investment covers current expenses, primarily for research and development and the market launch. Furthermore, we have processed a large number of further investment enquiries which have not yet resulted in any binding investment commitment. Against the backdrop of the financial crisis we observed a clearly restrained approach of market players which has also significantly impacted the discussed valuation level. We continue to keep our investments in the Technology Ventures area deliberately restrictive in the current environment. Our existing investment in Babel has developed as planned.

The realization of the discontinued business lines "Real Estate" and "Data Center" makes good progress. For the two business lines potential buyers have been identified with whom negotiations are going on. The realization is likely to be completed still this year.

A court settlement with a former asset manager of Kizoo AG, which has now undertaken to pay damages totaling € 3.3 million to Kizoo under litigation which had been pending since 2003, has a considerable impact on the half-year result. It led to income in the same amount which is expected to be available as liquid assets during the third quarter.

The General Meeting adopted all draft resolutions of the management on May 26, 2009. The implementation of a further share buy-back program with validity from September 1, 2009 was approved. At the General Meeting shareholders requested an adjustment of the Group structure to the overall conditions; this was immediately taken up by the management. The Executive Board and the Supervisory Board decided in June to merge three currently inactive companies in operating terms, Online Dienste Karlsruhe Data Center GmbH, Kizoo Asset Management GmbH and Internet-Abrechnung.de GmbH into Kizoo AG with a retroactive tax effect on January 1, 2009 and hence to reduce the number of Group companies by half.



The operating expenses were maintained as planned on the level already reached in Q1/2009. Total operating expenses amounted to € 1.8 million in H1/2009 after € 2.8 million in H1/2008. In Q2/2009 total operating expenses amounted to € 1.0 million after € 0.8 million in Q1/2009.

€ 1.6 million of the total operating expenses for H1/2009 concern structural, administrative and management expenses (prior year: € 2.8 million). They include essentially expenses for the development of the newly structured business line "Technology Ventures", personnel expenses for the employees of the administrative areas as well as legal and consulting fees. As far costs for research and development in the amount of T € 84 (Q1/2009 T € 81) are concerned, they relate to personnel expenses within the framework of product development. Compared to Q1/2009, administrative expenses increased by T € 170 to T € 878. Furthermore, marketing and advertising expenses of T € 43 were incurred in Q2/2009.

The financial income was marked, compared to prior year, by the lack of payment of a dividend by United Internet (prior year: € 4.4 million) and the lower interest income from other financial investments due to the conservative investment policy and generally lower interest levels. The financial income amounted to T € 689 versus € 13.4 million in H1/2008. Furthermore, no shares in United Internet were sold during this fiscal year compared to last year.

The result for the period is nonetheless, thanks to income from damages, positive with € 1.7 million (prior year € 8.8 million). The comprehensive income for the period amounts to € 49.6 million.

The financial position of the Group is sound. The values of the long-term financial investments, apart from overnight investments, have significantly recovered during the first half-year. On the reporting date June 30, 2009 the cash and cash equivalents as well as securities amounted to € 241.6 million. They consist of € 56.4 million of cash and cash equivalents and fixed interest securities and € 185.2 million for the 8.8% share in United Internet AG. The financial position continues to be marked by the significant shareholding in United Internet AG. Against the backdrop of high volatility the United Internet share closed the quarter on a significantly higher level with € 8.34 (December 31, 2008: € 6.29). The value of the fixed interest securities portfolio – adjusted by mature securities – was likewise recording a higher level on June 30, 2009 compared to December 31, 2008 (€ 27.4 million, December 31, 2008: € 26.0 million). Cash and cash equivalents held as overnight investments increased taking into account the slightly negative operating cash flow (€ 28.3 million, December 31, 2008: € 26.9 million).

3. GENERALLY ACCEPTED ACCOUNTING AND VALUATION PRINCIPLES

The consolidated interim financial statements of Kizoo AG for the period from January 1 to June 30, 2009 were prepared in accordance with IAS 34 "Interim Financial Reporting" as condensed financial statements. The condensed interim financial statements do not include all information prescribed for the financial statements of a full fiscal year and should be read in connection with the consolidated financial statements as of December 31, 2008.

The generally accepted accounting and valuation methods applied for the preparation of the condensed interim financial statements are, without exception, in conformity with



the methods applied in the last consolidated financial statements as of December 31, 2008, except for the following standards which had to be applied for the first time. For the interim financial statements concerning the first quarter 2009 the standards and interpretations IFRS 2 (changed), IAS 1 (changed), IAS 23 (changed) and IAS 32 (changed) as well as IFRIC 13 to 16 had to be applied for the first time.

The first-time application of IAS 1 (changed) on the quarterly financial statements is restricted to the presentation of the changes in equity directly recognized in equity as well as a changed structure of the statement of changes in equity. The first-time application of the other standards and interpretations did not have any impact on the presentation of the assets, financial and earnings position of Kizoo AG.

Due to the discontinuation of the business lines "Real Estate" and "Data Center" decided at the end of the fiscal year and the first-time application of IAS 1 (changed) an adjustment of the comparative figures for the first half-year 2008 had to be made on June 30, 2009, in order to ensure comparability between the two interim financial statements. Furthermore, securities of United Internet AG were reclassified from current to non-current assets.

The tax expenses are determined within the Kizoo Group on the basis of an estimate of taxable income in the different companies.

4. IMPACT OF ESTIMATES

The preparation of the consolidated interim financial statements in conformity with IFRS partly requires the Executive Board to make estimates and assumptions which have an impact on the amounts stated for assets, liabilities and contingent liabilities on the balance sheet date as well as the recognition

of income and expenses during the reporting period. Any actual amounts and/or developments can deviate from these estimates.

During the fiscal year and during prior year a number of estimates were made in respect of the future business activity of the company following the decision on its new orientation. Based on these estimates and assumptions the recognition of deferred tax assets was evaluated, more particularly, for the continued business line.

In connection with the new orientation estimates were also made in respect of the net disposal proceeds of the assets for sale.

Furthermore, estimates were made in respect of the classification of possible payment commitments as provision or contingent liability. This is determined by the classification of a utility outflow as likely which leads to the recognition of a provision or as unlikely which leads to a recognition as contingent liability.

The estimates and underlying assumptions are reviewed on a permanent basis. The latest impairment tests were carried out on December 31, 2008. Corrections of estimates are stated during the period during which the estimate is reviewed and possibly also in later periods if the review concerns both current and later periods.

5. CHANGES TO THE SCOPE OF CONSOLIDATION

During the first half-year there were no changes to the scope of consolidation. The mergers decided by the Executive Board and the Supervisory Board in respect of Online Dienste Karlsruhe Data Center GmbH, Kizoo Asset Management GmbH and Internet-Abrechnung.de GmbH into Kizoo AG will probably be completed in August of this year in terms of company law.



6. TREASURY SHARES

During the first half-year 2009 the company did not acquire any treasury shares (prior year: 638,132) and does not hold any treasury shares on June 30, 2009 (prior year: likewise no treasury shares).

7. SECURITIES

During the first half year the portfolio of securities did not change – except for maturities of fixed interest securities in a value of € 3 million in Q1. Within the framework of the disposal of bonds at maturity losses in an amount of T € 39 (prior year: T € 41) were realized. All securities are held with a long-term objective.

8. SHARE-BASED COMPENSATION

Kizoo has a stock option plan for the benefit of its employees. On June 30, 2009 731,500 (prior year: 1,558,759) valid options were issued to subscribe to Kizoo shares to existing and former employees and members of the senior management of Kizoo AG and its subsidiaries, of which 722,721 were exercisable. During the first half-year 2009 no options were exercised (prior year: 222,792 options).

During the past half-year T € 10 (prior year: T € 29) from the options were recorded as personnel expenses.

9. NON-CURRENT ASSETS AVAILABLE FOR SALE

During the first half-year further assets with an insignificant amount were sold of the assets classified as available for sale as of December 31, 2008 (H1/2009: T € 4; H1/2008: T € 1,216).

10. RESULT OF THE DISCONTINUED BUSINESS LINES

Since the decision to realize the business lines Real Estate and Data Center, the corresponding assets are classified as “held for sale”. The result in Q2/2009 mainly contains interest paid in an amount of T € 266 as well as unscheduled write-offs in an amount of T € 270.

11. SEGMENT REPORTING

After the classification of the segments “Real Estate” and “Data Center” as discontinued business lines and the merger of the segment “Communication Services” into the investment activities in respect of young Internet ventures in the segment “Technology Ventures”, the Group has only one segment left.

12. TRANSACTIONS WITH RELATED PARTIES

The group of related persons and companies remained unchanged versus the financial statements. There were no material transactions with related persons and companies. Further details on related parties can be found in the Annual Report 2008 on page 76.

13. LEGAL DISPUTES

In June a court settlement was reached with a former asset manager of the company under which the company is entitled to damages totaling € 3.3 million. The court proceedings are now completed.

There were no other major changes in respect of current litigation since December 31, 2008. As far as a more detailed description of such litigation is concerned, reference is made to the Notes to the consolidated financial statements as of December 31, 2008.

14. LIABILITY SITUATION

Within the framework of the disposal of the Portal business to United Internet AG, Kizoo AG issued, in line with standard prac-



tice during such transactions, in its capacity as seller the usual comprehensive warranties in respect of the object of the contract for the buyers. The liability of Kizoo AG under the violation of these guarantees was limited to a maximum amount of € 100 million. Concerning the fulfillment of the main performance obligations, in particular concerning procurement of title and other transfer obligations and the ancillary performance and indemnification obligations expressly regulated in the asset contribution agreement and/or the share purchase agreement with United Internet AG, an absolute maximum liability sum together with claims under warranty violations of € 300 million was agreed upon. The guarantees have different terms; in individual cases up to five years from completion (October 31, 2005).

Actual payment obligations under the guarantees are currently not to be expected.

KARLSRUHE, JULY 2009

THE EXECUTIVE BOARD



INTERIM MANAGEMENT REPORT H1/2009



INTERIM MANAGEMENT REPORT AS OF JUNE 30, 2009 (UNAUDITED)

1. BUSINESS AND GENERAL SITUATION

Strategic overview

Since its realignment during the first half-year 2008 Kizoo AG has been operating as a development and investment company focusing on Internet services and digital communication. Apart from the realization of own products, the company will primarily invest in young, innovative ventures with high growth potential. Through investments in Technology Ventures in their early phases, the company has additional opportunities to seize investment possibilities rapidly and in a diversified manner, with a reduced risk and a manageable total volume.

The company intends to initially commit manageable amounts not exceeding € 1 million in individual cases and a total investment of up to € 5 million during the first 12 to 18 months of the activity. Kizoo Technology Ventures is different from classical venture capital companies because it not only provides financial resources but also inputs in-depth own entrepreneurial experience in the field of Internet services. This is perceived as a genuine added value by companies looking for an investment.

In the current environment the company keeps investments in Technology Ventures deliberately restrictive. During the first half-year Kizoo Technology Ventures focused on the investment in an own development, a free-of-charge online dating service under the name of "Find&Smile". The service was developed by the wholly owned subsidiary 705 West GmbH and went live immediately before the General Meeting. The investment

covers ongoing expenses, mainly for research and development as well as the market launch.

In addition, the company continues to hold an 8.8% investment in United Internet AG, Montabaur and hence participates in the development of one of the leading German Internet conglomerates with offerings in the fields of portal, e-mail, DSL, web hosting and online advertising. This is a long-term financial investment whose economic development is reviewed on an ongoing basis, in particular against the backdrop of developments on the capital markets.

Together with other listed and exchange-traded securities, the United Internet investment represents a high share of the company's assets. As a result of this, the development of the financial markets is particularly reflected by the numbers of the Kizoo Group.

The adjustment of the capital resources initiated in 2008 through share buybacks and dividend payments on a large scale was not continued in 2009 because of the general economic situation. The General Meeting authorized the Executive Board to resume the share buyback program within the bounds of the empowerment adopted as soon as the corresponding framework conditions exist.

2. EARNINGS POSITION

Development of the business line

Technology Ventures

After the discontinuation of the business lines "Real Estate" and "Data Center", the company continues its business with the business line Technology Ventures alone. This business line includes the development and investment activities. The structural, administrative and management expenses of the AG are included as operating expenses.

The operating activities in the development and investment business are carried out with a small team from the existing resources of the AG. During the first half-year 2009 no revenues were recorded in respect of these activities.

During the second quarter of fiscal 2009 other operating income recorded one-off income unrelated to the accounting period. In a court settlement a former asset manager of Kizoo AG undertook to pay damages in a total amount of € 3.3 million to the company. The liquid assets from this settlement are expected to be available for the third quarter.

Total operating expenses (without income from damages) amounted to € 1 million during the second quarter (Q1/2009: € 0.8 million). The increase resulted primarily from the initialization and launch of the online dating service "Find&Smile". Overall, expenses were primarily attributable to general administration. R&D costs developed in a stable manner versus Q1/2009. Costs for marketing and advertising were incurred for the first time again on a low level (T € 43).

The development of the EBITDA reflects the significantly reduced cost basis versus prior year – in addition to the significant impact of income from the court settlement. With depreciations and amortizations of € 0.4 million during the first half-year 2009, the EBITDA, i.e. the earnings before interest, taxes, depreciation and amortization amounted to € 1.9 million and € -1.4 million without one-off income (prior year: € -3.1 million). On a quarterly basis the EBITDA amounted, before one-off income, in Q2/2009 to € -0.9 million after € -0.7 million in Q1/2009.

The EBIT, i.e. the earnings before interest and taxes, amounted to € 1.6 million during the first half year 2009 versus € -2.8 million during the comparable prior year period.

Discontinued business lines "Real Estate" and "Data Center"

The discontinued business line "Real Estate" concerns primarily the real estate and building "Karlsruhe, Amalienbadstrasse 41" held by Sarah Grundstücksverwaltungs-gesellschaft mbH & Co. Vermietungs KG, Munich, which is to be sold as a whole. The business line "Data Center" concerns the data center which is to be disassembled on the basis of a realization agreement with a service provider during the coming months and will then be sold. Realization income was hence neither recorded for the Real Estate nor for the Data Center during the first half-year.

Given the exclusive orientation of realization towards sale, the business lines Real Estate and Data Center are reported as discontinued business lines in the interim financial report 2009.

The comparative prior year numbers were adjusted accordingly. The reported result from the discontinued business lines Real Estate and Data Center includes the operating income of the business lines during the past half-year (€ -0.6 million; prior year: € -1.8



million). In H1/2009 this concerned primarily interest expenses in respect of Real Estate financing. Other operating expenses were reduced to the amounts necessary for asset maintenance. Furthermore, an unscheduled write-down in the amount of € 0.3 million was made during the current fiscal year.

Shareholding in United Internet AG, Montabaur

On June 30, 2009 the Kizoo Group continued to hold 22,200,000 shares in United Internet AG; this corresponded to an 8.8% share in the nominal capital on the balance sheet date.

As a result of the acquisition of the WEB.DE portal in 2005, United Internet has become the German online advertising marketing company with the largest reach, with the portals WEB.DE, GMX and 1&1 totaling a reach of almost 20 million monthly users. Through the 8.8% share in United Internet AG Kizoo continues to benefit directly from this positive development of the Internet and portal market in all areas (online advertising, DSL, online services, web hosting etc.).

After the disappointing fiscal year 2008 during which particularly high write-downs in respect of listed investees had to be coped with, the price of the United Internet share recovered during the first half-year 2009 from € 6.29 (December 31, 2008) to € 8.34 at the end of the half-year. This has resulted in price gains from the block of United Internet shares in an amount of € 45.5 million during the first half-year 2009. Compared to the original purchase price of € 6.65 per share (October 30, 2005), price gains and hence hidden reserves of € 37.5 million have been recorded. These price gains are not recognized as income in the result for the period but as other income in the statement of comprehensive income.

Financial result

The investment of existing cash and cash equivalents generated a positive financial income during the reporting period of € 0.7 million (prior year: € 13.4 million). The prior year number was marked by the dividend of United Internet (€ 4.4 million) as well as gains on the disposal of 1 million United Internet shares (€ 7.1 million). We assume that the non-payment of dividends of United Internet remains a one-off occurrence, since its operating income situation continues to be very good.

In accordance with the International Financial Reporting Standards (IFRS) the value increase of the United Internet block of shares in the amount of € 45.5 million between January 1 and June 30, 2009 was, as already mentioned, not recognized as profit in the income statement but as other income in the statement of comprehensive income.

In response to the accelerated crisis on the financial markets, the company shifted its portfolio of fixed interest securities partly to cash at the end of 2008. The currently extremely low interest payment on short-term resources has likewise had a negative impact on the financial income. Given the significant reduction in capital resources of last year, the total volume of interest-bearing investments was significantly lower compared to last year, so that overall significantly lower financial income was generated.

Results for the reporting period/ Comprehensive result

The first half-year 2009 closed with earnings before tax (EBT) from the continuing business line of € -2.2 million (prior year: € 10.6 million).

For the second quarter 2009 the EBT for the continued business line amounted to € 2.7 million versus € 10.8 million for Q2/2008. These numbers are only comparable to a limi-



ted extent because of the special impact of the sale of United Internet shares in Q2/2008.

Overall, i. e. including the discontinued business lines, the profit for the period amounted during the first half-year 2009 to € 1.7 million versus € 8.8 million during the comparable prior year period. The total result for the period amounted to € 49.6 million (prior year: € -99.1 million).

3. NET ASSETS AND FINANCIAL POSITION

Cash flow statement

The essential cash flow streams during the fiscal year can be presented as follows:

	Q1-Q2/2009 (in mln. €)	Q1-Q2/2008 (in mln.€)
CASH FLOW FROM OPERATING ACTIVITIES	-2.1	-5.1
CASH FLOW FROM INVESTING ACTIVITIES	3.9	37.6
CASH FLOW FROM FINANCING ACTIVITIES	-0.4	-70.3
CHANGE IN CASH AND CASH EQUIVALENTS	1.4	-37.7
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	26.9	44.3
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	28.3	6.6

During the reporting period the cash flow from operating activities amounted to € -2.1 million versus € -5.1 million during the comparable prior year period. This significant improvement of the operating cash flow during the reporting period versus prior year is a direct consequence of the successfully implemented cost and expense reduction measures during the reporting period.

The cash flow development during the comparative period H1/2008 was marked by dividend payments as well as buybacks of treasury shares totaling € 70.5 million. In H1/2009 there were no liquidity outflows from dividends or share buybacks.

Inflows from interest and dividends amounted to € 1.3 million during the reporting period and outflows in respect of interest totaled € 0.2 million.



Net assets and financial position

The following table shows in condensed form the key balance sheet items versus prior year:

	06/30/2009 (in mln. €)	12/31/2008 (in mln.€)
CASH AND CASH EQUIVALENTS AND SECURITIES	242	196
OTHER SHORT-TERM ASSETS	7	3
TANGIBLE AND INTANGIBLE ASSETS	1	1
ASSETS HELD FOR SALE	16	17
TOTAL ASSETS	266	217
SHORT-TERM LIABILITIES	2	3
LIABILITY FROM "ASSETS HELD FOR SALE"	9	9
SHAREHOLDERS' EQUITY	255	205
TOTAL LIABILITIES	266	217

The balance sheet total increased significantly by € 49 million versus December 31, 2008. This resulted essentially from the share price gains of securities, more particularly, the United Internet share. The shareholders' equity of the Kizoo Group amounted to € 255 million on June 30, 2009 (December 31, 2008: € 205 million) or 96% of the balance sheet total.

Cash and cash equivalents and securities of the Kizoo Group amounted to € 242 million on June 30, 2009 (December 31: € 196 million). This corresponds to 91% of the balance sheet total. Of the total € 242 million, € 186 million are accounted for by the market value of the 22.2 million shares in United Internet (valued at the price on the balance sheet date of € 8.34/share) and € 56 million cash and cash equivalents as well as interest-bearing bonds. The United Internet shares are reported as securities in the non-current assets in the consolidated financial statements.

During the first half-year 2009 investments dropped significantly versus prior year periods. They amounted merely to € 10,000 during the reporting period. With depreciations and amortizations of € 0.1 million, the fixed assets (including intangible assets) decreased accordingly.

On June 30, 2009 the Kizoo Group held no treasury shares.

On June 30, 2009 there were no dues to banks except for liabilities in connection with the financing of the property in Karlsruhe within the framework of a property leasing relationship. Under this long-term real property leasing agreement, the area "Amalienbadstrasse" in Karlsruhe used for operating purposes was leased in 2001. In connection with the envisaged sale of the real property, the property leasing contract is to be dissolved and the associated dues to banks are to be repaid.



4. EMPLOYEES

On the reporting date June 30, 2009 Kizoo AG and its subsidiaries had a total headcount of 9 (prior year: 20). The personnel structure breaks down as follows on the reporting date:

	06/30/2009	06/30/2008
EXECUTIVE BOARD AND SENIOR MANAGEMENT	4	4
CUSTOMER SERVICE AND MARKETING	0	0
RESEARCH AND DEVELOPMENT, IT	1	4
GENERAL ADMINISTRATION, FINANCE AND IR	4	12
TOTAL	9	20

In addition to the payment of fixed salaries, the compensation system of Kizoo provides in large parts of the company also for variable salary components which depend on the achievement of individually agreed performance targets. In order to have the staff participate in the long-term success of the company and to provide incentives for their long-term loyalty to the company, the employees of Kizoo AG and its majority subsidiaries are integrated into an employee participation scheme in the form of a stock option plan.

5. EVENTS AFTER THE BALANCE SHEET DATE

By July 23, 2009 the share price of United Internet increased from EUR 8,34 on June 30, 2009 to € 9.01. Referred to the share position held by us of 22.2 million United Internet shares this means that there has been a share price gain since June 30, 2009 of € 14.9 million. Compared to December 31, 2008, the value of this item increased by € 60.4 million by July 23, 2009.

6. FORECAST REPORT

The focus of the Group lies on the extension of the Technology Ventures business line, the realization of the Real Estate and Data Center and the close monitoring of the investments in United Internet and other securities.

The situation under company law is sound. Apart from the mergers of non-operating subsidiaries no other structural measures are currently planned. The targeted headcount is reached; the cost basis will develop altogether on a stable level.

Extension of the business line "Technology Ventures"

In mid-2008 the Kizoo Group entered the venture capital market, at a time when conditions – also as a result of the financial and economic crisis – started to undergo a profound transformation. The number of professional providers of finance for early phase companies has decreased, investment volumes and in particular valuation expectations of initiators have significantly been reduced. This trend continues in 2009. In this phase we had a restrained approach to investment offers, on the one hand to gather more ex-



perience on the market and on the other hand to avoid investments at the wrong time. Time works in our favor here.

Overall, the Kizoo Group focuses its Technology Venture activities on long-term value development. Consequently, the Kizoo Group does not anticipate significant contributions to its result from this business line in 2009 and 2010.

The number of investment enquiries will remain high although it will no longer reach the level of 2008. We continue to intend to invest for the time being a maximum of € 5 million in Technology Ventures. This includes internal projects. The investment period originally envisaged for this amount until the end of 2009 is, however, no longer realistic given the current market situation. At present we assume that the targeted volume will be invested by the end of 2010 at the earliest. A forecast for a longer term is not possible in the current environment.

Realization of the Real Estate and Data Center

We still expect to complete the realization of the Real Estate and Data Center in 2009. On the current basis, the posted values should at least be reached. Furthermore, the realization is expected to generate substantial net liquid asset inflows in a high single digit million area and further cost relief for the Group.

Financial investments

The development of our financial investments, more particularly concerning the shareholding in United Internet, was positive during the first half-year. We constantly review of course the economic development, in particular of United Internet, against the backdrop of the capital market situation. The expectations of analysts are for the very most part positive for the development of the United Internet share. However, it appears unlikely that the

bond and stock markets and, more particularly, the United Internet share will experience a short-term recovery in the current environment which would make disinvestments attractive. We will continue to invest our available liquid assets close to the money markets and with low risk.

Business planning

The cost basis will develop in 2009 in a stable manner on the level reached. Together with the current costs (without depreciations) for the Real Estate and Data Center being realized, costs will move between € 4 and 5 million for the full year. Savings are possible, once the Real Estate and Data Center have been realized.

Pending the generation of revenue and investee contributions from the business line "Technology Ventures", the costs incurred are to be financed through income from the financial investments. Interest-bearing investments have again been significantly reduced because of the high outflow of resources in 2008, primarily due to payments to shareholders. Following the significant lowering of interest levels in the currently preferred short-term investment area for reasons of risk, the profitability of the financial investments will continue to move on the current low level.

For the full year 2009 the company anticipates on the basis of the first half-year and the current earnings and financial position a positive result. This presupposes that the Real Estate and Data Center can be realized at least at book values. This also presupposes that the financial crisis will not require further write-downs in respect of fixed interest investments. No later than in 2010 we expect United Internet AG to return to its former earnings and dividend strength, which will then again lead to a positive annual result.



Capital market strategy

Kizoo AG regularly reviews its capital resources and capital market strategy. The Executive Board and the Supervisory Board have not yet taken a decision about the continuation of the buyback of treasury shares. A buyback through the stock exchange appears to be hardly useful for the moment because of the very low traded volumes. A repetition of the public share buyback offer is conceivable. This would, however, presuppose a calming down of the markets with a correspondingly lower volatility of share prices.

7. OPPORTUNITIES AND RISK REPORT

Risks in connection with the business line Technology Ventures

The Kizoo Group intends to invest in new business models and concepts both through in-house developments and investments in third-party companies. In this connection concepts and business lines, more particularly Internet and communication services, are continuously evaluated in terms of their potentials, opportunities and threats. There is a risk that it will not be possible within an overseable period of time to define a future safe product and/or business model or to find appropriate investments. This might have a considerable impact on the future business strategy and the resulting scope of business of the Group.

The investment in own developments and in young technology ventures pursues the objective of high returns. At the same time it involves a high risk potential. Since at the beginning of projects related to own developments or in the event of companies at the acquisition of the shareholding no earnings are generated as a rule and it cannot be assumed at that time that the implementation of a business idea will be successful, risks arise in the amount of the investment volume

for the Kizoo Group. In the event of investments in young companies, the risk basically increases significantly depending on the closeness of the foundation of the company.

Write offs in respect of investments up to the total loss of investments as a result of insolvency cannot be avoided despite a restricted investment focus, many years of experience and close support of the investment and are, more particularly, not unusual in early stage financing. In the run up to an investment these risks are to be minimized through strict selection criteria and procedures as well a permanent improvement of the due diligence process. Management will counter the financial impact of any loss in value of investments through early support and correction measures as well as an ongoing improvement of controlling.

At the same time the investment approach selected provides an opportunity to participate in a diversified and sustainable manner in new business models and products and to generate significant returns.

Risks in connection with the realization of the business lines “Real Estate” and “Data Center”

The Group intends to fully realize the discontinued business lines Real Estate and Data Center. Based on current information, we assume that after the disassembly and sale of the technical equipment of the Data Center its book values can be realized. If this were not fully possible, write-downs on a six digit level would become necessary. We expect to be able to complete the realization during this year despite the difficult market conditions.



For the Real Estate we have concrete purchasing offers which cover the book value of the Real Estate taking into account all disposal costs and dissolution fees for the leasing financing no longer required. If the company were not to succeed in realizing the assets for sale in accordance with the planned terms and conditions, despite the offers, which are not yet binding pending a notarized purchase and sale agreement, this might involve the need for additional unscheduled write-offs with a corresponding negative impact on the assets, financial and earnings position.

Risks in connection with the investment of financial assets

A considerable part of the financial resources of the Kizoo Group is held in the form of 22.2 million shares in United Internet AG. Given the currently extremely volatile and uncertain markets, the shares are subject, like all listed securities, to price fluctuations which can of course not be excluded in the case of United Internet as a result of general influences from the stock markets or specific corporate developments. These share price losses can continue to have a major negative impact on our assets, financial and earnings position.

After comprehensive adaptations to the current market situation the current consensus of analyst views assumes on the basis of the good business development of the company compared to the general economic situation an upside share price potential for the United Internet share. The real economy, the banking environment and the stock market continue to be in an extremely volatile and unstable phase as a consequence of the financial crisis and the resulting world economic crisis. Depending on the actual development, a positive or negative development of the stock markets during fiscal 2009 may also have a material impact on the share price development of the United Internet block

of shares; from the current point of view this is, however, difficult to forecast.

As far as the shareholding in United Internet AG is concerned, we will, therefore, closely monitor the economic development of the investee and the capital market conditions and permanently check in how far value potentials have been exhausted.

Within the framework of the risk management of financial investments Kizoo AG has shifted its portfolio of fixed-interest securities partly to cash assets. With this measure the dependency of the company on the future development of the financial market was reduced accordingly.

Nonetheless the portfolio of Kizoo AG includes on the balance sheet date individual bonds with different maturities whose prices and fungibilities have come under pressure in the wake of the financial crisis and which may even be at risk of defaulting if certain framework conditions materialize. In particular the developments and turbulences on the international capital markets in connection with the financial crisis have resulted in a significant increase in the credit and liquidities spread for corporate bonds and so-called "Asset Backed Securities" (ABS structures) which have company loans as underlying or reference instrument. At the same time the market prices for these financial securities have come under major pressure and the tradability of these financial instruments has become severely restricted.

Based on the information available to us, we assume that the current price markdowns are only of a temporary nature and would not expect a concrete default of one or more securities. We rather expect the realizability of the nominal amount no later than at their maturity. At the same time we cannot, however, fully exclude such losses, which can have a material negative impact on our assets, financial and earnings position. This applies more particularly to the remaining ABS structures which have company loans as underlying or reference instruments. In this connection it is almost impossible to make a reliable statement on future defaults of debtors and hence possibly of the entire investment.

Similar risks exist of course also in respect of the other shareholdings in investees, whose volume is, however, comparatively insignificant.

Tax risks

The last field tax audit of the Kizoo Group covered the assessment periods until 2002 included. Further final tax field audits did not take place for any subsequent periods. The competent tax authority has now imposed a regular field tax audit for the years 2003 to 2007 for all affiliated companies, which is currently carried out. Against the backdrop of the extensive transactions and operations of the past years in particular under company law and in connection with the Portal business, it can of course not be excluded that tax assessments within the framework of the field audits may lead to subsequent tax payments for past assessment periods. At present there are no indications for such subsequent payments, which could have a material impact on the assets, financial and earnings position of the Group. Nonetheless this cannot be completely excluded as a matter of principle.

Warranty and performance risks in connection with the sale of the Portal

In connection with the sale of the Portal business to United Internet AG several warranties were furnished and representations were made in respect of the object of the agreement. So far the United Internet Group has not asserted any claims. If claims were asserted in future against Kizoo AG under these warranty or performance claims or for violation of the competition clause, this would have a major impact on our assets, financial and earnings position.

Fluctuations in quarterly results

It cannot be ruled out that, for instance, due to special influences quarterly results are subject to major variations which could entail significant variations in the share price of Kizoo AG.

A detailed description of risk management by Kizoo as well as the market, business and operating risks and any other risk areas and risks are covered in the consolidated management report for fiscal 2008.

8. TRANSACTIONS WITH RELATED PARTIES

Related persons and companies within the meaning of IAS 24 are persons and companies in respect of which one of the parties has the possibility to control the other party or to exercise material influence. Related companies are Cinetic Gesellschaft zur Entwicklung und Vertrieb von Medientechnik mbH, Karlsruhe, as majority shareholder of Kizoo AG as well as all subsidiaries and associated companies of Kizoo AG. A further related company is the shareholder of Sarah Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG, SüdLeasing Immobilien GmbH, consolidated as a so-called Special Purpose Entity. Cinetic Gesellschaft zur Entwicklung und Vertrieb von Medientechnik mbH is to be considered as parent company of Kizoo AG within the meaning of IAS 27.



Related persons include the members of the Executive Board, the Supervisory Board and the Senior Management of the subsidiaries.

The group of related parties has not changed compared to the financial statements.

Material transactions with related persons and companies did not take place. Further details on related parties are covered by the Annual Report 2008 on page 76f.



AFFIRMATION BY THE STATUTORY REPRESENTATIVES AS OF JUNE 30, 2009

We hereby affirm that, to the best of our knowledge, the interim financial statements give a true and fair view of the Group's asset, financial and earnings position in accordance with the generally accepted accounting principles for interim financial statements and that in the interim group management report the business development including the business result and the situation of the Group during the reporting period are presented in such a way that its real fair view is given and that the essential opportunities and risks of the probable development of the Group during the remaining fiscal year are described.

KARLSRUHE, JULY 2009
THE EXECUTIVE BOARD



FINANCIAL CALENDAR

All dates are preliminary and subject to change

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