



**First Quarter  
Report 2008**

## At a Glance

mwb Group	1 <sup>st</sup> Quarter 2008	1 <sup>st</sup> Quarter 2007	+/- in %
Comission result	812	996	-18
Trading result	1,156	2,253	-49
Personnel expenses	739	818	-10
Administrative expenses	1,583	1,474	+7
Profit from ordinary activities	-255	1,109	-123
Net profit	-212	1,044	-120
Balance sheet total	19,584	25,098	-22
Equity	17,125	19,755	-13
Earnings per share	€ -0.05	€ 0.21	-124
Number of employees	35	33	+6

## Financial Calendar

Date	Topic	Place
07/24/2008	Publication of semiannual figures 2008	
07/28/2008	Annual Shareholder's meeting	Munich
08/25/-08/27/2008	Analysts conference; Participation at Smart Equities Conference of DVFA	Frankfurt
10/23/2008	Publication of third quarter figures 2008	

## The Company

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 Internet [www.mwb.de](http://www.mwb.de)  
 Registered with the local Court of Munich,  
 HRB 123 141, founded in 1993  
 mwb stock code: 665610

### Admitted for trading on the following exchanges

- Munich Stock Exchange
  - Berlin-Bremen Stock Exchange
  - Frankfurt Stock Exchange
  - Hanseatic Stock Exchange, Hamburg
  - Rhineland-Westphalia Stock Exchange in Duesseldorf
  - Baden-Wuerttemberg Stock Exchange
- Member of the Bundesverband der Wertpapierfirmen an den deutschen Börsen e.V. (Federal Association of Securities Firms at German Stock Exchanges)



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# Interim Consolidated Management Report

## 1. The Economic and Stock Market Situation

In the first quarter of 2008, the entire financial sector suffered under the extremely difficult prevailing conditions. The full force of the international credit crisis was felt for the first time in this period. While relatively high trading turnover was recorded in January, February and March witnessed the near complete collapse of it. As a result of this „investor strike“, turnover in foreign stocks sank by 40 % as compared to the same quarter last year, while IPO business came to a complete halt in Germany. Correspondingly, notable price corrections took place on the stock exchanges. After having closed 2007 around the 8,000 mark, the DAX had fallen by March 2008 to an intraday low of 6,167 points, closing on March 31, 2008 with a minus for the quarter of over 20 %. But there is some light on the horizon as it was possible to partially even out price losses during the month of April.

### Increased risks

The escalation of the US subprime crisis, and the effects it has had on the world's financial systems, led to a massive loss of confidence in financial services providers. Even smaller specialists such as mwb Wertpapierhandelsbank AG were affected by the current scepticism, even though they have only been indirectly affected by these events up to now. This negative outlook was triggered not only by the poor information practices of the large banks but also by the government's neglect of its supervisory duties vis-à-vis Germany's state banks and the enormous write-offs that had to be made by such inviolate market giants as UBS or certain US investment banks. To this already explosive mixture were added fears of inflation and record-high crude oil prices of over 100 dollars per barrel – all in all enough factors to be able to speak of a serious crisis.

### mwb's share price performance

mwb AG was unable to evade the downward trend on the stock markets in the first quarter of 2008. The strong fluctua-

tion of our share price was a reflection of the nervousness currently being felt by investors. The initial price of € 5.18 at the beginning of the year fell in February to € 4.30 before it recovered once the good results of 2007 were made public. At the end of the quarter, mwb's shares stood at € 4.60 with a tendency to rise at the beginning of April. In comparison to a variety of benchmarks, our shares outperformed the DAX, despite occasional drops, and were still quoted distinctly higher than at the beginning of 2006.

## 2. The Business Situation

### Securities Trading

The decline in trading volume in February and March 2008 was particularly noticeable in mwb's most important division. Trading in foreign stocks can be said to have plummeted dramatically. While € 82.6 billion worth of international securities were being traded on the German stock exchanges in the first quarter of 2007, these only managed to reach € 49.6 billion in the period January to March 2008. Order-book management continued to be the mainstay of our company in this area, generating 85 % of total earnings. In relation to commission and trading profits, the proportional contribution of these was 64 % and 98 % respectively. But even under the strenuous conditions that are currently prevailing, we were still able to increase the number of our order books. As of March 31, 2008, mwb managed 4,141 equities (+21 since December 31, 2007), 1,098 fixed-income bonds (+5), and 1,337 open-ended investment funds (+29). This information is based on the absolute number of individual securities, a number of which are being traded on several stock exchanges.

### Institutional Clients

That the present situation is not the usual bear market is underscored by the behaviour of institutional clients. They are being nearly as cautious with their investments as the private investors. Only 8 % of total earnings and 23 % of commission income were generated with institutional sales, order execution, and designated sponsoring. The already flagging capital market business in Germany – IPOs as well as other kinds of transactions – even came to a complete stand-

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still during the first quarter of 2008. Analysts are not expecting a noticeable rejuvenation of issuing business until the second half of 2008.

## Private Clients

The moderation presently being exercised by investors was also felt by the asset managers of our subsidiary, MWB Baden GmbH. Assets under management stagnated at around € 38 million, which nevertheless resulted in a stable contribution to commission income (13 %) and to total earnings (5 %). We are hoping that the up-and-coming German “Abgeltungsteuer” – a withholding tax on capital investment earnings – will provide the impetus for growth here, especially in the second half of the year.

## Merger with FAIRTRADE FINANCE AG

In an ad hoc announcement dated March 31, 2008 mwb Wertpapierhandelsbank announced the signing of a contribution agreement with the shareholders of FAIRTRADE FINANCE AG. According to this agreement, the FAIRTRADE shareholders are contributing their entire shares to mwb AG. In exchange, mwb AG is transferring 2,491,000 new shares out of a capital increase from authorized capital (as per a resolution dated March 31, 2008) and 498,269 treasury shares to FAIRTRADE FINANCE AG. The shares are dividend-entitled retroactive to January 1, 2008. Once the capital increase from authorized capital has been registered, FAIRTRADE FINANCE AG and mwb Wertpapierhandelsbank AG are to be merged. Further information on the merger is available in the half-yearly report and at this year's general shareholders' meeting.

## 3. Earnings

### Commission income and trading profits

Although we were able to make good use of the high levels of volatility for our trading business in January, the weakness of the following months gave rise to a fifty percent drop in turnover. In direct comparison to the same quarter in 2007, trading profits dropped by 49 % to EUR 1,156 thousand. However, this already includes the effects occasioned by the lower

marking to market of our securities held for trading in the amount EUR 168 thousand. The low level of trading profits is also a reflection of our consciously conservative risk strategy, an approach we take to guard ourselves from heavy losses in strenuous market environments. Commission income fell by only 18 % as compared to last year's quarter, dropping from EUR 996 thousand to EUR 812 thousand.

### General administrative expenses

General administrative expenses remained virtually stable at EUR 2,322 thousand (Q1 2007: EUR 2,293 thousand). Because of our flexible remuneration system, personnel expenses sank as compared to the previous year's quarter by 10 % from EUR 818 thousand to EUR 739 thousand – even though the number of employees rose from 33 to 35. Other administrative expenses remained at last year's level due to the unchanging volume of processing costs. The slight increase of EUR 109 thousand to the current EUR 1,583 thousand stems partly from the one-off financial burden caused by the merger with FAIRTRADE FINANCE AG and the requisite IT investments.

### Profits from ordinary activities

For the first time since 2003, the fiscal year began for mwb with a loss. As a direct consequence of the crisis on the financial markets, profits from ordinary activities recorded a deficit of EUR -255 thousand. By contrast, earnings of EUR 1,109 thousand in the first quarter of 2007 were clearly in the positive domain.

### Net loss for the year

As with profits from ordinary activities, mwb generated a net loss in the first quarter of 2008 of EUR -211 thousand. This means a decrease of EUR 1,255 thousand as compared to the same quarter of the preceding year. But it is still too early to draw any general conclusions from this for 2008.

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## 4. Financial Position

### Total assets

Total assets declined as compared to December 31, 2007 by EUR 2,964 thousand to EUR 19,584 thousand. This downturn was largely the result of the reduction in liabilities and the sale of securities on the asset side of the balance sheet.

### Liquidity

The company's comfortable liquidity situation underwent only marginal changes in the first quarter of 2008. Through the sale of securities, the balance of receivables from and liabilities to banks increased since December 31, 2007 by EUR 470 thousand to EUR 7,564 thousand.

### Equity

mwb's equity decreased only slightly from EUR 17,542 thousand to EUR 17,125 since the beginning of the year. The decline is primarily the result of the loss in the first quarter of 2008. The company's equity ratio at 87 % continues to be disproportionately high.

## 5. Other Information

With respect to the legal and organizational structure of mwb Wertpapierhandelsbank AG, the essential features of the remuneration systems for the Managing and Supervisory Boards, and the statements made pursuant to Section 315 (4) of the [German] Commercial Code (HGB), we refer to the consolidated financial statements for 2007.

## 6. Outlook

The assessments made in the following are all based on the information available to us at the current time. This also applies to the risks portrayed in the risk report.

The first signs of a stabilization of the financial markets were already apparent in April of this year. Despite the generally poor quarterly figures reported by the banks, and the continuing uncertainty as to the extent of the write-offs required

on risk-weighted loans and securities, the DAX managed once again to top the 7,000-point hurdle. This cannot, however, be interpreted as a green light yet, the credibility of the financial sector having been undermined for a long time to come. Only an offensive information policy and the quickest possible disclosure of all credit risks will cause shareholders to return to the stock markets in any big way. Regarding institutional clients, we expect a revival of capital market business in the fall of this year at the latest. Since commercial banks have become increasingly rigid in their lending policies, financing via the capital market will continue to grow in importance. This holds particularly true for small and mid-sized companies, mwb's most essential customers.

But some very different matters are in the forefront in the second quarter of 2008. The merger with FAIRTRADE FINANCE AG enters its most crucial phase. The IT structures of both companies will be consolidated, which will give rise to marked synergy effects. Of utmost importance, however, will be the integration of the new teams and the fusion of two corporate cultures. The outcome will be a robust securities bank whose individual fields of competence complement each other in an ideal way. Even though the merger will require a concentration of energy in the second quarter, it is still creating the basis for success in the second half of the year.

## 7. Risk Management Report

### Corporate strategy

All of our company's resources and activities are geared to sustainably securing our success. Therefore all of the decisions concerning mwb's business policy are taken under strict observance of the income to risk ratio.

Our risk management focuses on the top-level corporate targets of securing the assets entrusted to us and increasing our enterprise value based on the conscious management of entrepreneurial risks. Our strong equity ratio, the integrated risk management system, a real proximity to the market, and our thorough knowledge of risk allows us to operate flexibly across our divisions and to deal innovatively with the challenges of the future. In the strategic management of our company, monetary aspects play a major role as do non-financial



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indicators such as process efficiency, increasing transparency, the best possible support for our customers, employee satisfaction, and bolstering the position of securities companies in general.

mwb Wertpapierhandelsbank AG's group management is engaged in a constructive, ongoing exchange with the managing directors of MWB Baden GmbH with regard to the company's economic progress. Strategic decisions in relation to preserving the company's continued existence are made jointly.

## Risk strategy

The aim of our risk strategy is to safeguard our corporate targets by taking suitable measures against disruptive events. As part of its value-oriented group management scheme, the company has established an end-to-end risk management system to identify risks and to optimize risk positions. The company's risk control is structured in a way that emphasizes the prevention of unavoidable risks. We consistently review whether our risk policy provisions are sufficient to perceptibly reduce potential dangers. Further measures are then taken if necessary to reduce the risk.

In implementing the requirements resulting from the so-called MaRisk (Minimum Risk Management Requirements), mwb has, as part of its business strategy, created an end-to-end concept for its ability to bear risks. This entails – in addition to defining the risk-coverage assets, the maximum loss threshold for the entire bank, and the determination of the risk potential – a comparison of the aggregate risk potential with the maximum loss threshold. As a result of the risks entered into in the divisions operated by the company, mwb takes a conservative approach in structuring its ability to bear risks. The company has therefore stipulated that the maximum risk at the close of each business day must not exceed 20 % of the available risk-coverage assets. The remainder is available as a risk buffer. In addition to market price risks from equities, fixed-income securities, and option transactions, the company has included operating risks as material risks for mwb in its concept for its ability to bear risks. mwb calculates the risk potential that exists for these risks on a daily basis, whereby the company uses the basic indicator approach pursuant to Sections 270 and 271 of the [German]

Solvability Directive (SolvV) for calculating operating risk. In ascertaining whether it is able to bear risks, mwb compares, on a daily basis, the aggregate risk potential to the maximum loss threshold set by the Managing Board. If this ratio is less than 100 %, the ability to bear risks is ensured.

Risk management is managed centrally for all branches of mwb Wertpapierhandelsbank AG from the company's headquarters in Gräfelfing. It is also subjected to an annual audit by our auditors to determine if it complies with the requirements of the [German] Act on Control and Transparency in Business (KonTraG).

MWB Baden GmbH is included in this risk control, although risks arising directly from transactions with its clients are being monitored directly by MWB Baden GmbH.

## Internal audit

In order to ensure an efficient internal auditing given the company's relatively small size, the Managing Board of mwb Wertpapierhandelsbank AG has outsourced its internal auditing to a firm of auditors. The audits focus primarily on the areas of investment and transaction brokering, proprietary trading, liquidity control, accounting, data processing, human resources, required reporting, compliance, money laundering, minimum requirements for the operating of trading activities, risk management, and earnings control. Operating processes that are subject to particular risk are audited annually, other operating processes every three years.

Internal auditing at MWB Baden GmbH is conducted directly by the managing directors of MWB Baden GmbH in Offenburg.

## Risk control

Effective risk control necessitates an independent identification of the risks entered into, which must be reviewed separate from trading activities.

To this end, the company has appointed a risk manager who is not connected with trading activities. The risk manager's tasks include identifying, analyzing, and evaluating risks, and especially sensitizing employees to risk recognition and avoidance. The risk manager also monitors adherence to

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large loan limits and the company's internal guidelines for risk avoidance, thereby continually developing methods and systems to manage risk. The basis for dealing continually and systematically with risks is found in the guidelines and decisions on risk tolerance prepared by the Managing Board, which are derived from the risk strategy and risk policy and geared to the company's capitalization and liquidity.

Given the company's large number of transactions, an efficient risk control is dependent on a highly developed computer system. For this reason, the company makes use of the innovative applications created by XCOM AG, a software company specializing in solutions for financial services providers and banks in which MWB holds a participating interest.

Via XCOM AG, the company calculates, on a daily basis, risk assets, net equities positions and counterparty default items, liable equity, and allocable equity, which results in the Principle I equity ratio and the Principle I overall ratio. Any amounts in excess of the large loan limits are also monitored several times per day, as are the total and individual items from name-to-follow transactions (Aufgabegeschäfte) and the unrealized profits and losses associated with this. In addition, monthly in-depth evaluations of market risk items and foreign currency risk are prepared in line with Principle I. Finally, the liquidity status is ascertained daily by compiling the available funds and the monthly calculation of the liquidity ratio from Principle II.

As part of its management-related monitoring, the Managing Board also reviews the income and expenses from the company's core business on a daily basis. After subjecting the monthly figures to a feasibility check, the CFO then issues a written, monthly opinion on general growth, select P&L items, and the liquidity situation. The report is circulated amongst the members of the Managing Board and is presented to the members of the Supervisory Board for their perusal.

In the area of operational risks - which can arise from workflows, persons, technology, or external events - existing risks are consistently being reduced by a multi-faceted, cause-related risk management system.

It is also extremely important to the company to keep abreast of any changes to the stock-market environment, to investor behaviour, and to any statutory modifications, and to do so at the earliest time possible. The company takes part in Germany's most important investor fairs several times a year. This not only provides the company with the opportunity to generate important contacts, but it also enables it to acquire vital information on the mood of investors and to inform itself on any changes in investor behaviour.

Descriptions of the individual risks are found in the Annual Report of December 31, 2007.

Graefelfing, April 2008  
The Managing Board



# Consolidated Balance Sheet according to International Financial Reporting Standards

as of March 31, 2008

## Assets

	03/31/2008 EUR	03/31/2007 EUR
Cash reserve	2,048.36	2,345.58
Receivables from banks	8,487,621.78	9,619,020.55
Assets held for dealing purposes	2,462,447.76	4,769,111.77
Financial assets	4,316,530.65	4,217,970.20
Intangible assets	231,949.50	204,732.81
Property, plant and equipment	367,858.22	404,783.00
Income tax assets	2,483,426.52	2,422,905.50
Other assets	1,232,530.63	906,986.11
<b>Total assets</b>	<b>19,584,413.42</b>	<b>22,547,855.52</b>

## Liabilities

	03/31/2008 EUR	03/31/2007 EUR
Liabilities to banks	923,699.87	2,524,777.82
Liabilities from dealing activities	33,773.02	23,511.04
Provisions	0.00	0.00
Income tax liabilities	55,628.48	96,271.77
Other liabilities	1,446,279.92	2,361,583.17
<b>Equity</b>	<b>17,125,032.13</b>	<b>17,541,711.72</b>
Subscribed capital	4,982,700.00	4,982,700.00
Capital reserves	3,945,101.02	3,945,101.02
Retained earnings	10,671,718.41	10,588,843.39
Revaluation surplus	-24,840.27	-4,297.51
Depreciation of own shares	-4,699,757.35	-4,515,505.27
Unappropriated profit	2,023,255.04	2,328,192.78
Minority interest	226,855.28	216,677.31
<b>Total liabilities and equity</b>	<b>19,584,413.42</b>	<b>22,547,855.52</b>

# Consolidated Profit and Loss Account according to International Financial Reporting Standards

for the Period from Januar 1 to March 31, 2008

	01/01 – 03/31/2008 EUR	01/01 – 03/31/2007 EUR
Interest income	78,194.41	140,036.98
Interest expenses	-541.24	-5,961.77
Net interest income	77,653.17	134,075.21
Commission income	1,123,163.86	1,618,469.94
Commission expenses	-311,510.78	-622,073.19
Net commission income	811,653.08	996,396.75
Trading income	4,594,414.72	4,213,195.02
Trading expenses	-3,438,302.60	-1,960,003.70
Trading profit	1,156,112.12	2,253,191.32
Net income from financial assets	0.00	0.00
Administrative expenses	-2,321,684.06	-2,292,466.04
Balance of other income / expenses	20,998.25	17,579.04
Profit from ordinary activities	-255,267.44	1,108,776.28
Income taxes on profit from ordinary activities	43,382.69	-65,193.96
Net profit	-211,884.75	1,043,582.32
Minority interest of net profit	-10,177.97	-20,437.38
Net profit without minority interest	-222,062.72	1,023,144.94
Profit carried forward from previous year	2,328,192.78	3,201,665.98
Withdrawal from capital reserves	0.00	0.00
Transfer to retained earnings	-82,875.02	-156,145.34
Unappropriated profit	2,023,255.04	4,068,665.58
Earnings per share		
Diluted earnings per share	-0.05	0.21
Basic earnings per share	-0.05	0.21

# Statement of Changes in Equity

for the Period from Januar 1 to March 31, 2008

	2008 TEUR	2007 TEUR
<b>Equity as of January 1</b>	<b>17,542</b>	<b>18,753</b>
<b>Subscribed capital</b>		
As of January 1	4,983	4,983
As of March 31	4,983	4,983
<b>Capital reserves</b>		
As of January 1	3,945	3,945
As of March 31	3,945	3,945
<b>Retained earnings</b>		
As of January 1	10,589	8,587
Change	83	156
As of March 31	10,672	8,743
<b>Revaluation surplus</b>		
As of January 1	-4	-10
Change	-21	1
As of March 31	-25	-9
<b>Own shares</b>		
As of January 1	-4,516	-2,128
Change	-184	-42
As of March 31	-4,700	-2,170
<b>Consolidated profit</b>		
As of January 1	2,328	3,202
Change in unappropriated profit	-305	867
As of March 31	2,023	4,069
<b>Minority interest</b>		
As of January 1	217	175
Change	10	20
As of March 31	227	195
<b>Equity as of March 31</b>	<b>17,125</b>	<b>19,755</b>

# Consolidated Cash Flow

for the Period from Januar 1 to March 31, 2008

	01/01–03/31/2008 TEUR	01/01–03/31/2007 TEUR
<b>Consolidated net profit</b>	-222	1.023
<b>Adjustment to the reconciliation of the consolidated net profit to the cash flow from operating activities</b>		
Depreciation, write-downs and write-ups on receivables, intangible assets, property, plant and equipment and financial assets	82	48
Change in long-term provisions	0	0
Loss from disposal of financial assets	2	0
Change in minority interest	10	20
Other adjustments (balance)	25	114
	-103	1,205
<b>Change in assets and liabilities from operating activities</b>		
Change in receivables from customers	-53	-97
Change in trading position	2,318	-1,601
Change in other assets from operating activities	-332	-223
Change in other liabilities from operating activities	-957	-133
Interest received	165	152
Interest paid	-12	-77
Received income tax	-198	-190
<b>Cash flow from operating activities</b>	<b>828</b>	<b>-964</b>
Proceeds from disposal of financial assets	0	0
Proceeds from disposals of property, plant and equipment	3	0
Investments in property, plant and equipment	-43	-1
Investment in tangible fixed assets	-6	-17
Investment in financial assets	-127	-11
Change in cash flow from other investing activities	0	0
<b>Cash flow from investing activities</b>	<b>-173</b>	<b>-29</b>
Net-change in purchases and sales of own shares	-185	-43
Dividends paid	0	0
<b>Cash flow from financing activities</b>	<b>-185</b>	<b>-43</b>
<b>Change in cash and cash equivalents</b>	<b>470</b>	<b>-1,036</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>3,096</b>	<b>8,056</b>
<b>Cash flow from operating activities</b>	<b>828</b>	<b>-964</b>
<b>Cash flow from investing activities</b>	<b>-173</b>	<b>-29</b>
<b>Cash flow from financing activities</b>	<b>-185</b>	<b>-43</b>
<b>Cash and cash equivalents at end of period</b>	<b>3,566</b>	<b>7,020</b>

# Notes

## Notes to the consolidated quarterly financial statements

The mwb Group has prepared its consolidated financial statements for the first quarter of 2008 in line with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) in order to provide its shareholders and all interested parties with an internationally comparable basis to evaluate the mwb Group and its results of operations, and at the same time to meet the requirements of the Deutsche Börse AG for the Prime Standard market segment. The interim report meets the requirements of IAS 34.8 and IAS 34.11 for quarterly financial statements.

## Accounting and valuation methods

The single-entity financial statements of the companies included in consolidation are – using uniform accounting and valuation principles – included in the consolidated financial statements of mwb Wertpapierhandelsbank AG. The consolidated financial statements as of March 31, 2008 include, in addition to mwb Wertpapierhandelsbank AG as the parent company, the wholly-owned subsidiary MWB Wertpapierhandelsbank GmbH and the 60 % interest in MWB Baden GmbH. The accounting, valuation, and disclosure methods have been consistently applied by us in line with the IFRS framework concept. The same accounting and valuation principles were applied in these quarterly financial statements as in our IFRS financial statements of December 31, 2007. In particular, all of our trading assets are carried at their fair value on the balance sheet, and treasury shares as per IAS 32.33 are deducted from equity.

## Own Shares

On the balance sheet date, the company held 498,269 own shares. In the first quarter of 2008, a total of 40,553 shares were bought and 2,000 shares were sold. The average acquisition price was € 4.78, the average selling price was € 4.71.

The existing amount of treasury stock has a nominal value of € 498,269 and represents 10 % of the share capital.

# Segment Reporting

as of March 31, 2008

	03/31/2008 TEUR	03/31/2007 TEUR
<b>Securities Trading</b>		
Net interest income	0	0
Net commission income	511	590
Trading profit	1,249	1,944
Personnel expenses	560	639
Scheduled depreciation of property, plant and equipment and intangible assets	40	37
Other administrative expenses	1,292	1,164
Balance of other operating income / expenses	0	0
Net income for the year	101	671
Assets	14,880	20,069
<b>Institutional Clients</b>		
Net interest income	0	0
Net commission income	180	230
Trading profit	-11	140
Personnel expenses	113	111
Scheduled depreciation of property, plant and equipment and intangible assets	11	8
Other administrative expenses	201	232
Balance of other operating income / expenses	0	0
Net income for the year	-184	236
Assets	4,197	4,547
<b>Private Clients</b>		
Net interest income	14	8
Net commission income	121	176
Trading profit	0	0
Personnel expenses	57	68
Scheduled depreciation of property, plant and equipment and intangible assets	2	1
Other administrative expenses	36	31
Balance of other operating income / expenses	4	1
Net income for the year	32	54
Assets	1,424	1,367
<b>Consolidation / Other</b>		
Net interest income	63	126
Net commission income	0	0
Trading profit	-82	169
Personnel expenses	9	0
Scheduled depreciation of property, plant and equipment and intangible assets	0	0
Other administrative expenses	53	47
Balance of other operating income / expenses	17	17
Net income for the year	-161	83
Assets	-917	-885
<b>Group</b>		
Net interest income	77	134
Net commission income	812	996
Trading profit	1,156	2,253
Personnel expenses	739	818
Scheduled depreciation of property, plant and equipment and intangible assets	53	46
Other administrative expenses	1,582	1,474
Balance of other operating income / expenses	21	18
Net income for the year	-212	1,044
Assets	19,584	25,098

# Notes

## Contingent and other liabilities

mwb AG has come to the conclusion that, with regard to a potential claim of the EdW (a German compensation organization for securities companies) against mwb AG in the Phoenix compensation case, the requirements for the formation of a provision according to IAS 37.14 have not been met. We refer here to the statements made on this in the Consolidated Financial Statements of December 31, 2007.

No other financial obligations existed on the balance sheet (closing) date.

## Notification of the absence of an auditor's review

The interim financial statements and the interim management report were neither audited pursuant to Section 317 of the [German] Commercial Code (HGB) nor subjected to an auditor's review.

## Undertaking by the legal representatives (Responsibility Statement)

"To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated interim financial report to the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Group 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 in the remaining fiscal year."

Graefelfing, April 2008  
The Managing Board

Thomas Posovatz

Herbert Schuster





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