



CURANUM

Good care has a home.

QUARTERLY REPORT Q1

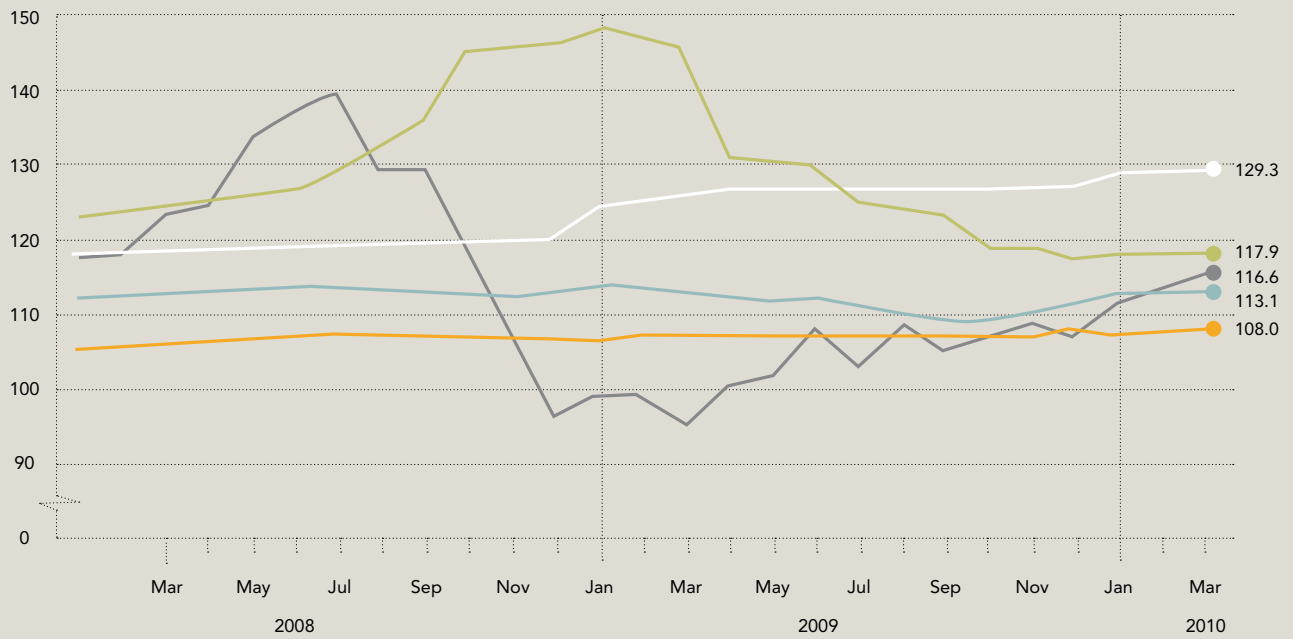
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2010



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CONSUMER PRICE INDEX (CPI)
(2005=100)

- CPI in total
- Fuels
- Energy
- Electricity
- Food



Source: Federal Office of Statistics, Wiesbaden 2010

INFLATION RATE – MEASURED AGAINST CONSUMER PRICE INDEX FOR GERMANY
YOY (%)



Source: Federal Office of Statistics, Wiesbaden 2010

ECONOMIC TREND

Following on the contraction of German gross domestic product in 2009, and particularly after the export trade put the brakes on business growth, economic prospects brightened at the start of the year. In their joint spring 2010 forecast, leading German Economic Research Institutes reported a sharp rise in orders at the start of the year, and a further easing of the export situation. Companies are now taking a more confident view of the future once again.

SIGNIFICANT PRICE INCREASE FOR HEATING OIL AND FUELS

The German consumer price index reported a significant year-on-year increase of 1.1 % in March 2010. With a 21.8 % total year-on-year rise in March 2010, the higher prices for mineral oil products, such as heating oil and fuels, exerted a particularly strong impact on the annual inflation rate, according to the Federal Office of Statistics in Wiesbaden. In overall terms, heating oil prices were up by 32.1 % year-on-year in March 2010, and fuel prices by 19.4 %. Putting in an increase of 3 %, the electricity price also affected the consumer price index. Food prices reported their first year-on-year increase again, and gas prices fell by 19.1 % in March 2010 compared with March 2009.

The consumer price index fell by 0.75 % year-on-year in the first quarter of 2010.

SLIGHT DECLINE IN UNEMPLOYMENT RATE

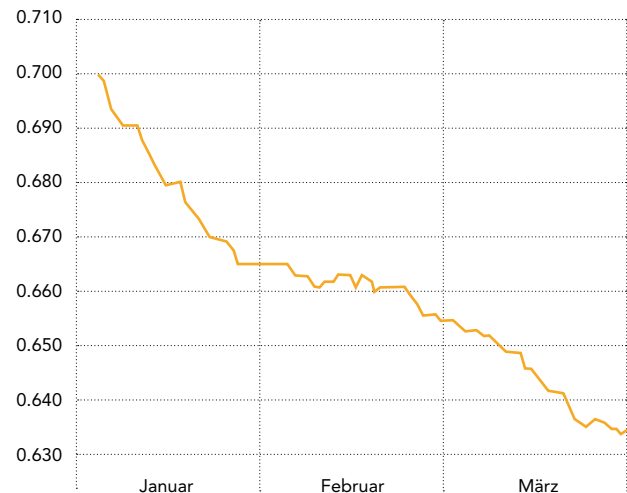
The labor market continued to prove remarkably robust, despite the financial and economic crisis in 2008 and 2009. In overall terms, however, the number of persons registered as unemployed increased slightly from an average of 3.54 million in the first quarter of 2009 to 3.61 million in the first quarter of 2010.

FURTHER DOWNTREND IN CAPITAL MARKET INTEREST RATES

After money market interest rates dropped at the end of 2009, including the significant decline in EURIBOR three-month money to 0.71 % as early as December 2009, the downtrend continued at the start of the reporting period with the EURIBOR three-month rate decreasing to 0.63 % at the end of March 2010.

3-MONTH-EURIBOR, JANUARY 1ST TO MARCH 31ST 2010

(in %)



Source: German Central Bank

CARE FOR THE ELDERLY AN IMPORTANT ECONOMIC SECTOR IN GERMANY

At the beginning of April, the Federal Office of Statistics in Wiesbaden announced that health spending in Germany had totaled € 263.2 billion in 2008. This figure marked increased spending that is up by 3.9 % year-on-year, or by € 9.9 billion. At 8 %, outpatient care facilities reported the fastest growth rate, and, together with inpatient care, almost € 29 billion went to care services.

SIZE OF THE MARKET

(in bn. €)



Quelle: Federal Office of Statistics, March 2010 and CAR€ Invest 6/10

The number of individuals requiring care in Germany will rise by almost 40 % within the space of one generation, according to Federal Family Ministry estimates. As a consequence, at least 2.95 million persons will require care by 2030.

This leads to the conclusion, as already mentioned on several occasions, that the care sector will continue to act as an engine of employment. The number of care staff rose by 50.3 % between 2000 and 2008, according to the Federal Office of Statistics.

In the next ten years alone, we will require an additional 77,000 care staff in Germany, according to current calculations produced by the Care Employers Association. For this reason, the Association is now calling for a “Green Card” for specialist care staff, as well as a more attractive structuring of the care sector for trainees.

Federal Health Minister Dr. Philipp Rösler underscored this point on March 23, 2010 when he announced changes to care profession training. The aim is to simplify and restructure care profession training through a new care profession act.

CARE COMMISSION DECIDES ON MINIMUM WAGE

Following six months of consultations, at the end of the current reporting period, the Care Commission decided in favor of a minimum wage within the care sector. From July 1, 2010, care assistants will receive a minimum wage of € 8.50 in the old federal States, and € 7.50 in the new federal states. The aim is to increase the minimum wage in steps: as of January 1, 2012, and July 1, 2013, the wage will increase in each case by

25 eurocents, thereby enabling planning security initially until 2015.

This decision not only allowed the minimum wage to be implemented, but also showed that the Care Employers Association, which has brought together Germany’s eight largest private care companies and the Federal Association of Private Providers of Social Services (bpa) since October 2009, is a reliable and good partner for the care sector and policymakers.

SUBSEQUENT IMPROVEMENTS TO “CARE INSPECTION”

On July 2, 2009, the Federal Health Ministry approved the inspection of services rendered in care facilities, and consequently the related quality inspection guidelines. Since that time, the Health Funds Medical Service (MDK) has been inspecting numerous facilities across Germany. Around 50 % of CURANUM Group facilities have been inspected to date. The inspection of all facilities should be concluded by December 31, 2010 at the latest.

Some funding associations have filed lawsuits against these quality guidelines due to poor ratings. Central consumer associations and numerous charity organizations have also submitted criticism, whereby they suggest that shortcomings in terms of care could be offset by other criteria, such as good documentation.

In early March 2010, the Federal Consumer Protection Ministry announced that care home assessment criteria should be revised by the start of 2011 at the latest, and that a federal working group would improve the inspection rating system.

BUSINESS PROGRESS

We will open the doors of our new facility in Wachtendonk, the “senior care centre Im Hagenland”, in June 2010. Potential clients can currently arrange meeting dates for personal consultations, and to view the facility. We are presently in the final acceptance phase for the facility, and consequently, the large garden, the beautiful atriums and the terraces can be arranged as the next stage.



“CURANUM Senior Care Centre Im Hagenland”,
Wachtendonk

Construction commences on our second newbuild project, the CURANUM senior care centre Hennef-Mitte in Hennef, in May 2010. This facility is due to be constructed in less than one year, allowing us to open the new home for our occupants in spring 2011. This two-building facility will offer a total of 80 care places and 59 managed apartments. The design orientation of this home again focused on innovative residential and care forms. With this home we have also taken our facility bundling strategy into consideration, since the senior care centre will be integrated into a so-called “cluster” together with the existing facility in Hennef and the “Alten- und Pflegeheim Sieglar” in Troisdorf.

REVENUE AND EARNINGS

Compared with the first quarter of 2009, CURANUM AG’s revenue in the first quarter of 2010 grew by € 1.1 million, from € 63.1 million to € 64.2 million. The increase primarily results from revenue of € 0.9 million that was generated with our new “Alten- und Pflegeeinrichtung Am Stöckheimer Markt” facility in Braunschweig, and the additional care service revenue from occupants suffering dementia in the amount of € 0.8 million.

The personnel expense increased by € 0.6 million from € 32.1 million in the first quarter of 2009 to € 32.7 million in the

current reporting period. This was particularly due to higher personnel costs in our facilities totaling € 0.9 million, including € 0.3 million of personnel costs for our new facility in Braunschweig. This was offset by a € 0.3 million personnel cost reduction in the administration area at our head companies.

Rental expenses reduced by € 0.1 million, from € 13.9 million in the first quarter of 2009 to € 13.8 million in the first quarter of 2010. Earnings before interest, tax, depreciation and amortization (EBITDA) fell by € 0.3 million in the current reporting period to € 6.1 million (previous year: € 6.4 million). As a consequence, the EBITDA margin shifted from 10.1 % to 9.5 % in the first quarter of 2010.

Depreciation/amortization of € 2.4 million in the current reporting period was identical with the prior-year quarter. Earnings before interest and tax (EBIT) fell by € 0.3 million, from € 4.0 million in the first quarter of 2009 to € 3.7 million in the first quarter of 2010.

Our net financial result improved by € 0.1 million to € -2.2 million in the period under review (previous year: € -2.3 million). Earnings after tax in the first quarter of 2010 fell by € 0.3 million to € 0.8 million (previous year: € 1.1 million), as a consequence of which earnings per share (EPS) went from € 0.04 in the first quarter of 2009 to € 0.03 in the first quarter of 2010.

FINANCIAL POSITION

Cash flow from operating activities increased by € 3.9 million to € 6.5 million during the reporting period (previous year: € 2.6 million). This was due to a significantly lower working capital reduction of € 0.5 million in the first quarter of 2010 compared with the first quarter of 2009 (€ -4.2 million), lower provisions formation, and a € 0.2 million increase in income tax received to € 0.8 million in the current reporting period.

Cash flow from investing activities moved from € -1.4 million in the first quarter of 2009 to € -2.0 million in the first quarter of 2010. This € 0.6 million increase was attributable to investments in our facilities.

Cash flow from financing activities fell by € 0.6 million to € -3.5 million in the period under review (previous year: € -4.1 million). The main reason for this trend was a € 0.3 million reduction in finance debt repayment, from € -1.8 million in the first quarter of 2009 to € -1.5 million in the first quarter of 2010, which, in turn, was due to a reduction in liabilities requiring redemption.

INVESTMENTS

We invested a total of € 2.9 million in our facilities in the first quarter of 2010. Of this amount, we spent T€ 914 on maintenance and repairs in the reporting period just elapsed.

NET ASSETS AND CAPITAL STRUCTURE

On the assets side of the balance sheet, the company reported a decline in non-current assets, which fell by € 0.6 million from a total of € 213.4 million as of December 31, 2009 to € 212.8 million as of the March 31, 2010 balance sheet date. Property, plant and equipment edged down by a total of € 0.3 million to € 127.0 million as of March 31, 2010, compared with € 127.3 million as of the end of the 2009 financial year. Due to a decrease in non-current rental prepayments, other assets fell by a total of € 0.2 million from € 8.4 million as of December 31, 2009 to € 8.2 million in the first quarter of 2010.

Current assets rose by € 0.5 million from € 23.0 million as of December 31, 2009 to € 23.5 million in the first quarter of 2010. This change is due to the reporting-date-related € 1.0 million increase in liquid funds to € 9.9 million in the current reporting period (December 31, 2009: € 8.9 million). This was offset by a € 0.2 million decline in other assets from € 5.4 million to € 5.2 million in the first quarter of 2010. Due to a reduction in income tax receivables, these fell by € 0.3 million to € 0.7 million as of the March 31, 2010 balance sheet date (December 31, 2009: € 1.0 million).

On the equity and liabilities side of the balance sheet, current liabilities were up by € 0.7 million to € 40.4 million in the current reporting period (December 31, 2009: € 39.7 million). This was due to a € 1.4 million increase in imputed provi-

sions to € 2.8 million in the current reporting period, as well as a € 0.4 million increase in trade payables to € 5.6 million in the first quarter of 2010 (December 31, 2009: € 5.2 million).

Due to a reduction in the short-term loans, current financial liabilities decreased by € 0.3 million from € 14.6 million as of December 31, 2009 to € 14.3 million as of March 31, 2010. Other liabilities also reduced by € 0.8 million to € 13.4 million in the current reporting period (December 31, 2009: € 14.2 million).

Non-current liabilities fell by € 1.4 million, from € 130.6 million as of December 31, 2009 to € 129.2 million in the first quarter of 2010. This change resulted from a total reduction of lease liabilities by € 1.0 million from € 53.1 million in the current reporting period (December 31, 2009: € 54.1 million), and a € 0.6 million reduction in financial liabilities to € 70.3 million in the first quarter of 2010 reflecting ongoing loan redemption (December 31, 2009: € 70.9 million).

Equity rose by € 0.6 million, from € 66.1 million as of December 31, 2009 to € 66.7 million as of the March 31, 2010 balance sheet date. The equity ratio rose slightly to 28.23 % (December 31, 2009: 27.96 %).

CHANGE WITHIN THE SUPERVISORY BOARD

For personal reasons, Mr. Michael Sasse relinquished his office as a regular Supervisory Board member with effect as of March 15, 2010. Mr. Sasse has been active within CURANUM AG's Supervisory Board for more than ten years. The Management and Supervisory boards would like to thank Mr. Sasse for his good cooperation, and would like to wish him all the best for the future.

STAFF NUMBERS IN THE FIRST QUARTER OF 2010

The Group average number of employees in the first three month of the current financial year amounted to 6,152 (previous year: 5,985). As of March 31, 2010, CURANUM AG employed 6,165 staff members, of which 788 were temporary workers and 273 were trainees, pupils and working students.

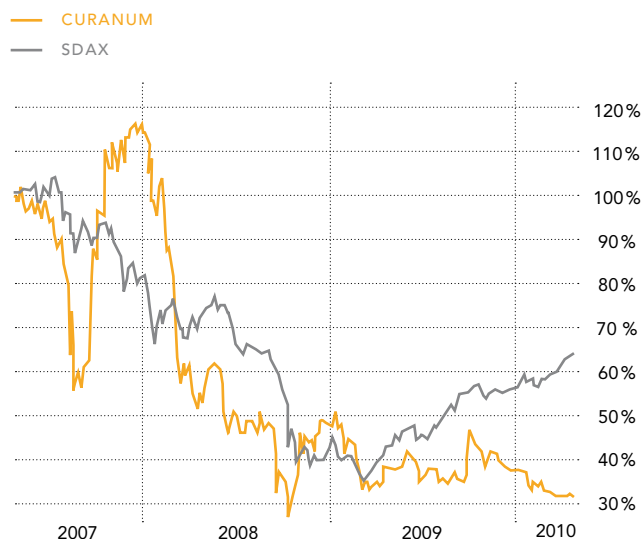
RENAMING OF OUR SUBSIDIARY “RESIDENZ LOBBERICH GMBH”

We renamed “Residenz Lobberich GmbH” with effect as of April 12, 2010. The new name is “Residenzen Niederrhein GmbH, Munich”. Residenzen Niederrhein GmbH, Munich now has two branches: Residenz Lobberich in Nettetel-Lobberich and “senior care centre Im Hagenland”, Wachtendonk.

CURANUM SHARE AND EXIT FROM THE SDAX INDEX

The CURANUM share opened its financial year as of January 1, 2010 at a price of € 3.11 (previous year: € 3.95), and closed the first quarter as of March 31, 2010 at a price of € 2.57 (previous year: € 2.80). This represents a 17.36 % decline (previous year: 29.1 % decline)

CURANUM SHARE PRICE AND SDAX IN THE LAST THREE YEARS



Low trading volume inducted the Deutsche Börse AG’s equity indices working group to withdraw the CURANUM AG share from the SDAX index in March 2010. The low stock market trading volume resulted from the shareholder

structure. Although the free float amounts to 65.01 %, it is effectively significantly lower because, although the shares of some shareholders do not form part of their long-term holdings, they must nevertheless be deducted from the free float. This circumstance also affected our share price, which amounted to € 2.62 on March 10, 2010, and was consequently reflected in the low market capitalization, which is also a criterion for inclusion in the SDAX.

Average trading turnover on all stock exchanges was 27,120 shares in January 2010 (previous year: 12,999 shares), 20,630 shares in February 2010 (previous year: 5,761 shares), and 28,293 shares in March (previous year: 10,851 shares). The CURANUM share reported an average price of € 3.30 in the first three months of the 2009 business year, compared with an average price of € 2.72 in the current reporting period.

SLIGHT CHANGE TO THE SHAREHOLDER STRUCTURE

The CURANUM shareholder structure changed only slightly during the first quarter of 2010. Lehman Brothers Bankhaus AG, Frankfurt am Main/ Germany communicated to us that its voting rights share in CURANUM AG had fallen below the 5 % threshold on February 24, 2010, and amounted to 4.84 % since that date (in absolute figures: 1,580,363 voting rights). On April 28, 2010, Lehman then communicated that it had fallen below the 3 % threshold, and that its holding amounted to 2.91 %. These announcements confirm the ongoing sale of CURANUM shares, which is becoming significantly evident in the market, and is exerting significant pressure on the share.

REPORT ON RISKS AND OPPORTUNITIES

There have been no significant changes to risks and opportunities compared with the situation described in the 2009 annual report.

CORPORATE GOVERNANCE

The Management and Supervisory boards issued the 2009 compliance statement pursuant to § 161 of the German Stock Cor-

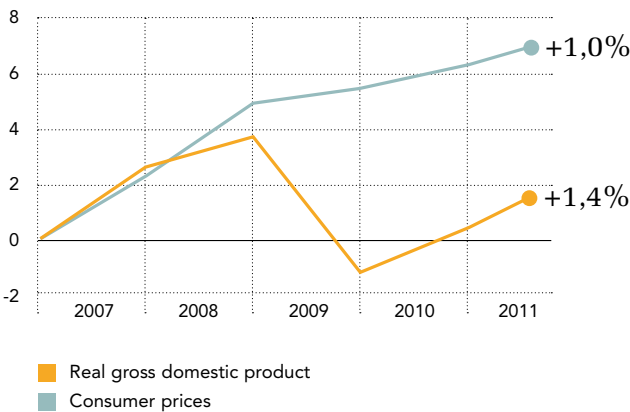
poration Act (AktG) in April 2009. This statement was updated in April 2010. Amendments were applied to figures 3.8 (Management Board deductible for directors' and officers' (D&O) insurance), 4.2.3 (Management Board remuneration), and 5.4.6 (individualized disclosure of remuneration paid to the Supervisory Board).

OUTLOOK AND FORECAST

Gross domestic product will prospectively report growth of 1.5 % year-on-year in real terms in 2010, and of 1.4 % year-on-year in 2011. Consumer prices will also rise, although to a lesser extent than in past years. For example, the inflation rate is estimated to be 0.9 % in the current business year, and 1.0 % in 2011.

**OUTLOOK FOR GERMANY 2007 TO 2011
REAL GROSS DOMESTIC PRODUCT AND
CONSUMER PRICES**

YOY in %, 2006 = 100

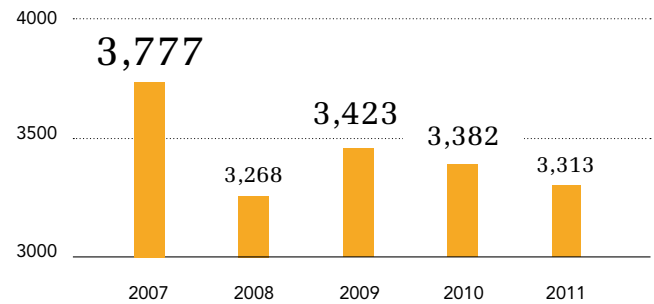


Source: Leading German Economic Research Institutes, Diagnosis spring 2010

The leading German Economic Research Institutes anticipates a further reduction in unemployment for 2010 and 2011. As a consequence, there will be around 41,000 fewer unemployed people in 2010, and around 110,000 fewer unemployed individuals in 2011, referred to the business year 2009. Given these circumstances, private consumer spending will rise again in 2011.

**OUTLOOK FOR GERMANY 2007 TO 2011
UNEMPLOYED PERSONS**

1000 persons

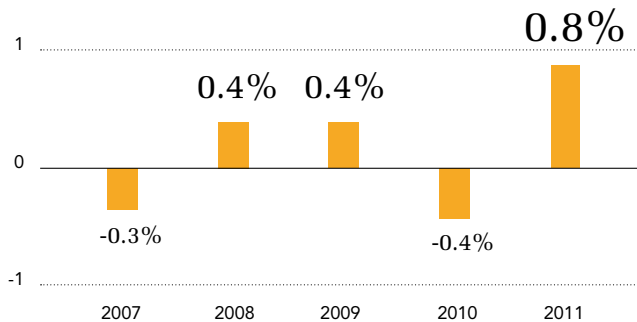


Source: Leading German Economic Research Institutes, Diagnosis spring 2010

German citizens will initially reduce their private consumer spending by a total of 0.4 % in 2010, compared with 2009, according to a forecast by the leading German Economic Research Institutes. The institutes, however, forecasts renewed growth of 0.8 % in 2011 compared with the 2010 business year.

**OUTLOOK: PRIVATE CONSUMPTION EXPENDITURE
2007 TO 2011**

YOY in %



Source: Federal Office of Statistics, Wiesbaden and ifo Institute for Economic Research, Munich

As of January 1, 2010, care insurance payments rose for individuals requiring care who have been allocated to a care level. In the fully inpatient care area, Care Level III payments rose from previously € 1,410 per month to € 1,510. In the short-term care area, payments also rose to € 1,510 per month at all three care levels. Outpatient care payments were also raised: at Care Level I from € 420 to € 440 per month, at Care Level II from € 980 to € 1,040 a month, and at Care Level III from € 1,470 to € 1,510 per month.

Since the introduction of care insurance, the “in need of care” term in the 11th book of the German Code of Social Law (SGB XI) has been discussed on a too narrow, and a too one-sidedly somatic, basis. The need for general care, supervision and guidance, particularly for individuals with restricted everyday abilities, is not taken sufficiently into account.

In their coalition agreement of October 26, 2009, the federal government’s coalition parties agreed to work towards a new definition of care requirements. The intention is that a specially established commission of experts that has been set up by the Federal Ministry of Health will review and re-define the current care requirement definition.

It is envisaged that in future new assessment procedures will not only include physical, but also individuals’ cognitive and communicative abilities. This is particularly intended to meet the needs of the many individuals suffering dementia.

The timing of the approval of the care requirement term is as open as the financing of the new procedure. Currently 2.25 million people in need of care give rise to additional care insurance costs of € 3.7 billion, according to up-to-date calculations.

The Health Funds Medical Service (MDK) aims to conclude its investigations by the end of the year, and to have inspected each facility once according to the new transparency criteria. CURANUM anticipates that its facilities will continue to receive good ratings. This allows us to improve our image further, and may help to stabilize our utilization levels.

Although utilization in our facilities was stable in the first quarter of 2010, it was very difficult to maintain due to a higher mortality rate, and a trend towards shorter stays by our occupants. We are assuming that this trend will improve over the course of the business year. In addition, significantly fewer new facilities are currently being opened than was the case in previous years, which should tend to relieve competitive pressure over the course of the business year. As a consequence, we are retaining our current budget, and we are confident that we can realize attractive takeovers on good terms from the facilities that have now been assessed and evaluated.

Munich, May 2010
The Management Board

CONSOLIDATED BALANCE SHEET*as of March 31, 2010*

ASSETS in T€	31.03.2010	31.12.2009
Current Assets		
Cash and cash equivalents	9,938	8,899
Trade accounts receivable	6,413	6,482
Inventories	901	921
Current assets	5,217	5,413
Tax receivables	671	953
Security investment	372	372
TOTAL CURRENT ASSETS	23,512	23,040
Non-current assets		
Property, plant and equipment	126,992	127,253
Other intangible assets	2,634	2,794
Goodwill	65,718	65,718
Deferred tax assets	9,210	9,196
Other financial assets	8,235	8,443
TOTAL NON-CURRENT ASSETS	212,789	213,404
TOTAL ASSETS	236,301	236,444

SHAREHOLDERS' EQUITY AND LIABILITIES in T€	31.03.2010	31.12.2009
Current liabilities		
Finance lease debt	4,195	4,169
Current finance debt	14,279	14,646
Trade accounts payable	5,583	5,226
Provisions	2,786	1,363
Income tax payable	115	78
Other current liabilities	13,432	14,225
TOTAL CURRENT LIABILITIES	40,390	39,707
Non-current liabilities		
Financial lease obligations	53,119	54,089
Non-current finance debt	70,337	70,891
Deferred tax liabilities	5,655	5,564
Provisions	95	95
TOTAL NON-CURRENT LIABILITIES	129,206	130,639
Shareholders' equity		
Share capital	32,660	32,660
Additional paid-in capital	32,303	32,303
Own shares	-1,241	-1,241
Revenue reserve	1,809	-4,037
Consolidated profit	833	5,870
Other shareholders' equity	341	544
TOTAL SHAREHOLDERS' EQUITY	66,705	66,098
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	236,301	236,444

CONSOLIDATED INCOME STATEMENT

in the period from January 1 to March 31, 2010

in T€	Q1/2010	Q1/2009
1. REVENUES	64,159	63,098
2. Cost of sales	56,267	55,245
3. GROSS PROFIT / LOSS	7,892	7,853
4. Selling and marketing expenses	270	255
5. General administration expenses	4,613	4,609
6. Other operating expenses	585	372
7. Other operating income	1,292	1,345
8. OPERATING INCOME / LOSS	3,716	3,962
9. Interest and other expenses	2,243	2,351
10. Other interest and other income	17	89
11. EARNINGS BEFORE TAX	1,490	1,700
12. Tax expense	508	421
13. Deferred tax expense	162	148
14. EARNINGS AFTER INCOME TAX	820	1,131
of which attributable to minority interests	-13	-11
of which attributable to CURANUM AG shareholders	833	1,142
Net income per share, basic , €	0.03	0.04
Net income per share, diluted , €	0.03	0.04
Number of underlying outstanding shares	32,267,835	32,524,196

STATEMENT OF COMPREHENSIVE INCOME

for the period from January 1 to March 31, 2010

in T€	Q1/2010	Q1/2009
EARNINGS AFTER INCOME TAX	820	1,131
Gains / losses from the change in fair value of financial instruments used for hedging purposes	-270	-625
Gains / losses from the measurement of Available for Sale securities	0	-6
Gains / losses from other earnings-neutral changes	-13	-14
Deferred tax relating to earnings-neutral components of comprehensive income for the period	81	187
SUM OF SHAREHOLDERS' EQUITY REPORTED CHANGES IN VALUE	-202	-458
SUM OF EARNINGS AFTER INCOME TAXES AND SHAREHOLDERS' EQUITY REPORTED CHANGES IN VALUE	618	673
of which attributable to minority interests	-13	-11
of which attributable to CURANUM AG shareholders	631	684

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
in the period from January 1 to March 31, 2010

in T€	Share capital	Additional paid-in capital	Retained earnings	
			Accumulated profit / loss	Other retained earnings
01.01.2009	32,660	32,303	-7,663	-136
Comprehensive after-tax income for the period	--	--	7,032	-8
Dividend payment	--	--	--	--
Buyback of own shares	--	--	--	--
Other changes (Minority interest)	--	--	--	-11
31.03.2009	32,660	32,303	-631	-155
01.01.2010	32,660	32,303	-3,856	-181
Comprehensive after-tax income for the period	--	--	5,870	-11
Dividend payment	--	--	--	--
Buyback of own shares	--	--	--	--
Other changes (Minority interest)	--	--	--	-13
31.03.2010	32,660	32,303	2,014	-205

Buyback of own shares	Consolidated profits	Other shareholders' equity		Shareholders' equity
		Revaluation reserve	Cashflow- Hedge	
-970	7,032	1,504	-626	64,104
--	-5,901	-20	-438	665
--	--	--	--	--
-271	--	--	--	-271
--	11	--	--	--
-1,241	1,142	1,484	-1,064	64,498
-1,241	5,870	1,448	-905	66,098
--	-5,050	-13	-189	607
--	--	--	--	--
--	--	--	--	--
--	13	--	--	--
-1,241	833	1,435	-1,094	66,705

CONSOLIDATED CASH FLOW STATEMENT

in the period from January 1 to March 31, 2010

in T€	Q1/2010	Q1/2009
I. OPERATING ACTIVITIES		
Result before income tax and minority interest	1,490	1,700
Depreciation / amortization	2,427	2,399
Other interest and similar income	-17	-89
Interest and similar expenses	2,243	2,350
Gains from disposals of fixed assets	1	16
Increase / decrease in provisions	1,423	2,546
Change in net working capital	535	-4,187
Tax paid	-995	-848
Tax received	807	163
Interest paid	-1,416	-1,482
Interest received	17	29
Cash flow from operating activities	6,515	2,597
II. INVESTING ACTIVITIES		
Cash outflow for acquisitions	0	-270
Cash outflow for property, plant, equipment and intangible assets	-2,008	-1,100
Cash flow from investing activities	-2,008	-1,370
III. FINANCING ACTIVITIES		
Cash outflow from redemption of financial liabilities	-1,482	-1,837
Cash outflow for finance leasing (both interest and redemption proportion)	-1,986	-1,960
Cash outflow for buyback of own shares	0	-271
Cash flow from financing activities	-3,468	-4,068
Change in cash and cash equivalents	1,039	-2,841
Cash and cash equivalents at the beginning of the period	8,899	10,014
Cash and cash equivalents at the end of the period	9,938	7,173

1. GENERAL INFORMATION ON THE COMPANY

CURANUM AG (hereinafter referred to either as “CURANUM“ or the “Company“), located at Maximilianstrasse 35 c, Munich, came into existence in November 2000 as a result of the merger between the Bonifatius Hospital & Seniorenresidenz AG, Munich (founded in 1994 and listed on the stock market since 1998) and CURANUM AG, Munich (founded in 1981). The corporate purpose of CURANUM AG is the setting up and operating of senior citizens’ residences and care homes.

2. PRINCIPLES OF ACCOUNTING AND EVALUATION

With the exception of the special circumstances detailed below, the principles of accounting and evaluation are identical to those used for reporting purposes to 31 December 2009. We refer, therefore, to the explanatory notes given in the consolidated accounts to 31 December 2009.

REPORTING STANDARDS

The unaudited quarterly report provided has been prepared in accordance with International Financial Reporting Standards (IFRS). On transition to IFRS on 1 January 2004, CURANUM AG prepared an opening balance sheet intended to serve as the starting point for the IFRS method of accounting.

The statement of profit and loss was drawn up on the basis of turnover costs.

The quarterly report was prepared in accordance with IAS 34 and does not necessarily contain all the information included in the consolidated accounts. Reference should, therefore, be made to the consolidated accounts to 31 December 2009, prepared in accordance with IFRS.

The currency used for the quarterly report is the euro (€). Where nothing is stated to the contrary, all amounts are entered in thousands of euro (T€) and rounded up to the nearest whole number.

DECLARATION OF COMPLIANCE WITH IFRS

The quarterly report of CURANUM AG and its subsidiaries has been prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the EU.

SCOPE OF CONSOLIDATION

Name	Office	Amount of holdings ¹⁾ in %
The following German companies were fully consolidated as of March 31, 2010 (in alphabetical order):		
Altenheimbetriebsgesellschaft Ost GmbH ²⁾	Munich	100.00
Altenheimbetriebsgesellschaft Süd GmbH ²⁾	Munich	100.00
Altenheimbetriebsgesellschaft West GmbH ²⁾	Munich	100.00
Alten- und Pflegeheim Sieglar GmbH ²⁾	Munich	100.00
Bad Schwartauer AVG Altenheim-Vermietung GmbH & Co. KG	Munich	95.00
CURANUM AG (parent company)	Munich	--
CURANUM Bad Hersfeld GmbH ²⁾	Munich	100.00
CURANUM Baubetreuung und Immobilienmanagement GmbH	Munich	100.00
CURANUM Bessenbach GmbH ²⁾	Munich	100.00
CURANUM Betriebs GmbH ²⁾	Munich	100.00
CURANUM Franziskushaus GmbH ²⁾	Gelsenkirchen	100.00
CURANUM Holding GmbH ²⁾	Munich	100.00
CURANUM Verwaltungs- und Beteiligungs GmbH & Co. KG ²⁾	Munich	100.00
CURANUM Westfalen GmbH ²⁾	Munich	100.00
ELISA Seniorenstift GmbH ²⁾	Munich	100.00
FAZIT Betriebsträgergesellschaft für soziale Einrichtungen mbH ²⁾	Nuremberg	100.00
GAP Media Service GmbH ²⁾	Munich	100.00
Krankenheim Ruhesitz am Wannsee-Seniorenheimstatt GmbH ²⁾	Berlin	100.00
OPTICURA Service GmbH ²⁾	Munich	100.00
Residenz Lobberich GmbH	Nettetal-Lobberich	100.00
RIAG Seniorenzentrum „Ennepetal“ GmbH & Co. KG	Munich	99.60
RIAG Seniorenzentrum „Erste“ GmbH & Co. KG	Munich	100.00
RIAG Seniorenzentrum „Zweite“ GmbH & Co. KG	Munich	100.00
ROSEA Grundstücks- Vermietungsgesellschaft mbH & Co.		
Objekt Liesborn KG	Duesseldorf	94.00
Seniorenzentrum Hennef GmbH ²⁾	Munich	100.00
Service Gesellschaft West GmbH ²⁾	Munich	100.00
VGB Beteiligungs- und Verwaltungs GmbH	Munich	94.00
Wäscherei Ellerich GmbH ²⁾	Kaisersesch	100.00
The following foreign companies were fully consolidated as of March 31, 2010:		
CB Seniorenresidenz Armbrustergasse GmbH	Vienna / Austria	94.00
CB Managementservice GmbH	Kitzbuehel / Austria	94.00

1) Amount of holding is equal to voting rights unless otherwise noted

2) These companies are exempted from the duty of setting up annual accounts according § 264 Abs. 3 HGB / § 264b HGB

EVENTS AFTER THE BALANCE SHEET DATE (IAS 10.21)

With a notary deed dated March 23, 2010, two properties in which CURANUM operates care facilities were sold. One of the two properties is owned by CURANUM. New rental agreements, which qualify as finance leases according to IFRS, were concluded with the new owner. No change is yet required to the current accounting treatment in this set of interim financial statements since the new rental agreements do not become effective until ownership is transferred to the acquirer. This transfer of ownership is connected with the purchase price payment, which will not occur before April 30, 2010.

The Group will receive an inflow of financial resources of approximately 5.4 mil. € from the sale of the property owned by CURANUM.

PROFIT PER SHARE

In respect of earnings per share, we refer to the data provided in the statement of profit and loss for this quarter.

RELATED PARTY / COMPANY DISCLOSURES

In respect of related party/company disclosures, we refer to the explanatory notes provided in the consolidated accounts to 31 December 2009.

In comparison with the consolidated accounts to 31 December 2009, no significant alterations have been made.

3. SEGMENT REPORTING

The CURANUM Group renders all services for an identical group of customers. The risk and opportunity profiles of the services are not significantly different, and they are interdependent. The internal reporting structure of the company equally makes no segmental differentiation. In addition, the company is active primarily in the German market. Segmental reporting is not performed because the company cannot be divided into either different business segments or different geographical segments.

Revenue of T€ 1,561 was generated with external customers by foreign subsidiaries in the first quarter of 2010. This set of quarterly financial statements includes non-current assets of T € 1,024 relating to these facilities.

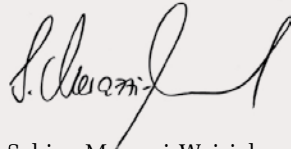
4. CONTINGENT LIABILITIES AND ASSETS

Contingent liabilities are not included in the quarterly report. They appear in the notes, except where any possible outflow of economic benefit is extremely unlikely.

Contingent assets are likewise not included in the quarterly report. They are, however, given in the notes, where there is a likely inflow of economic benefit.



Bernd Rothe
Chairperson of the
Management Board



Sabine Merazzi-Weirich
Member of the
Management Board



Judith Barth
Member of the
Management Board



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