CURANUM

Good care has a home.

HALF-YEARLY REPORT 2010

IN THE PERIOD FROM JANUARY 1 TO JUNE 30, 2010

THE GROUP AT A GLANCE

as of 30.06.2010 (IFRS)

in mil. €	Q2/2010	Q2/2009	HY1/2010	HY1/2009	Q1/2010	Q1/2009
Sales	64.9	64.3	129.1	127.4	64.2	63.1
Staff costs	33.4	32.7	66.1	64.8	32.7	32.1
EBITDAR	19.5	20.2	39.4	40.4	19.9	20.2
Rental costs	13.8	14.0	27.6	27.8	13.8	13.8
EBITDA	5.7	6.2	11.8	12.6	6.1	6.4
in % of Sales	8.8%	9.6%	9.1%	9.9%	9.5%	10.1%
Depreciation	2.5	2.4	4.9	4.8	2.4	2.4
EBIT	3.2	3.8	6.9	7.8	3.7	4.0
in % of Sales	4.9%	5.9%	5.3%	6.1%	5.8%	6.3%
Financial result	-2.5	-2.1	-4.7	-4.4	-2.2	-2.3
EBT	0.7	1.7	2.2	3.4	1.5	1.7
Net profit	-0.8	1.1	0.0	2.2	0.8	1.1
EPS (€)*	-0.03	0.03	0.00	0.07	0.03	0.04
Cash Flow	4.1	6.1	10.6	8.7	6.5	2.6
CPS (€)*	0.13	0.19	0.33	0.27	0.20	0.08
Cash and cash equivalents	14.7	4.9	14.7	4.9	9.9	7.2
Equity capital	65.8	62.4	65.8	62.4	66.7	67.0
in % of Balance sheet total	26.7%	26.7%	26.7%	26.7%	28.2%	27.8%
Balance sheet total	246.3	233.9	246.3	233.9	236.3	241.2
Employees	6,180	6,035	6,166	6,026	6,152	6,014
Facilities	70	68	70	68	69	68
Care places	7,867	7,689	7,867	7,689	7,802	7,692
Assisted living apartments	1,679	1,681	1,679	1,681	1,679	1,681

*) Number of underlying outstanding shares in Q1/2009: 32,524,196 shares
*) Number of underlying outstanding shares in Q1/2010: 32,267,835 shares
*) Number of underlying outstanding shares in HY1/2009: 32,311,648 shares
*) Number of underlying outstanding shares in HY1/2010: 32,267,835 shares
*) Number of underlying outstanding shares in Q2/2009: 32,254,898 shares
*) Number of underlying outstanding shares in Q2/2010: 32,267,835 shares
**) Cash Flow from operating activities: number of outstanding shares

GERMAN ECONOMY CONTINUES ON RECOVERY PATH

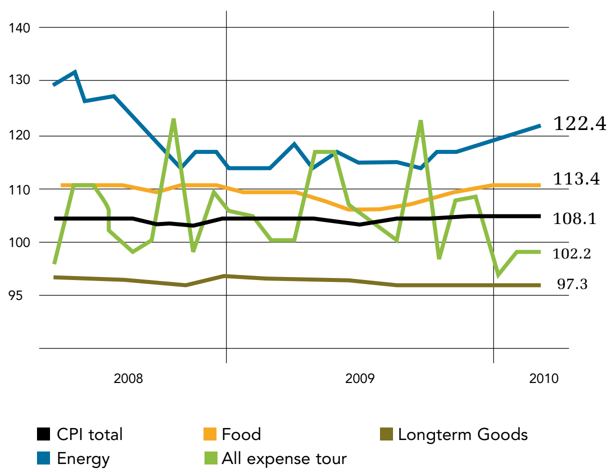
The economy in Germany continued to report an upturn in the second quarter. Leading indicators such as the ifo Business Climate Index Germany registered positive trends.

The consumer price index in the second quarter of 2010 reported an average increase of 1.06% compared with the second quarter of 2009. The index rose by an average total of 0.94% when comparing the first half of 2010 with the first half of 2009.

The current reporting period's inflation rate nevertheless continued to be characterized by the energy price movement. Petroleum products were up by 11.4% year-on-year in overall terms.

CONSUMER PRICE INDEX

2005 = 100

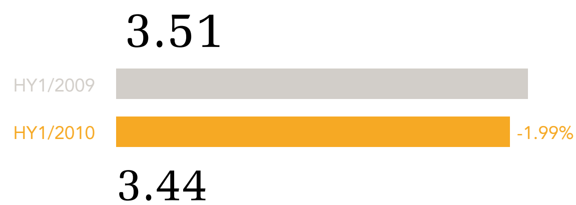


Sorce: Federal Office of Statistics, Wiesbaden 2010

Employment in Germany continued to grow. One reason for this was certainly also the upturn in economic activity in spring. The Federal Labor Agency registered an average of 3.27 million unemployed individuals in the second quarter of 2010. This represents a 6.03% decline compared with

UNEMPLOYED PEOPLE

(in mil.)



the second quarter of 2009, with an average of 3.48 million unemployed persons.

CARE MARKET

LIFE EXPECTANCY IN GERMANY REACHED NEW RECORD LEVELS

Recent calculations made by Cologne University suggest that girls born this year will have a life expectancy of 92.7 years, and boys a life expectancy of 87.6 years. The results of such calculations continue to show that there will be 20 times as many 100-year-olds in 50 years as today. Growing life expectancy will unavoidably place a major burden on social systems in the future, and will especially entail significant effects in the care area. An increase in the number of individuals requiring care to up to 4.5 million by 2050 is entirely realistic.

CARE STAFF SHORTAGE WORSENS

Demographic trends are also resulting in a shortage of care staff in Germany. We will already require around 300,000 additional care staff in the next ten years, according to the Federal Association of Private Providers of Social Services (bpa). The plan is to counter this problem through enhanced retraining measures, a more attractive structure for the care profession, and the targeted recruitment of staff from abroad, as well as a discussion of this problem at a so-called care summit with the government.

The federal government does not wish to extend the sponsoring of the three-year retraining of unemployed individuals to become care staff for the elderly beyond the 2010 cut-off date. The Care Employers Association regards this in an extremely critical light since it believes that additional training opportunities should be created above and beyond this in order to continue to meet demand for care personnel in the future.

Care staff in Germany should not only be trained at care colleges in the future, but there should also be an increase in the number of „health professions“ with bachelor degree qualifications. A more attractive structure to care training should counter the care staff shortage in overall terms.

MINIMUM WAGE

On July 22, 2010, the federal cabinet approved regulations concerning compulsory working conditions for the care sector, better known as the minimum wage ordinance. These regulations come into force from August 1, 2010, and guarantee temporary care staff who are primarily employed in basic care, and subcontracted care sector workers a minimum wage of € 7.50 for East Germany, and € 8.50 for West Germany. Household management staff, trainees and interns, as well as so-called full-day care staff, are not included in these regulations.

STABLE BUSINESS PROGRESS WITH RISING CASH FLOW; ONE-OFF EFFECTS BURDEN RESULTS

AVERAGE SECOND-QUARTER CAPACITY UTILIZATION DOWN YEAR-ON-YEAR

Our capacity utilization rate was already in decline in February during the first quarter. This trend continued until the end of May due to a high mortality rate, and further new openings at our locations. The lower supply growth rate since June, however, particularly in North Rhine Westphalia, is reflected in a recovery in occupancy since then. Along with a lower level of new openings activity, this trend is also attributable to our quality improvements, greater marketing and sales efforts, and, last but not least, to greater demand for short-term care due to vacations.

OPENING OF THE SENIORENRESIDENZ IM HAGENLAND

We celebrated the opening of our CURANUM Seniorenresidenz Im Hagenland on June 1, 2010. The home, which has 65 care places on one level, and comprises a total net floor space of 3,400 square meters, was constructed as a ’KfW Energiesparhaus 40‘ energy-saving house. At the official opening ceremony on July 6, 2010, occupants, relatives, interested members of the public and visitors were enthusiastic about the residential concept, the airy and sunny room layout, as well as the fittings and furnishings of the senior care residence. This is also reflected in its occupancy, which already stood at 40% after two months.

SLIGHT SALES RISE RECORDED IN SECOND QUARTER

Second-quarter sales was up from € 64.3 million to € 64.9 million. Firstly, this growth reflects additional sales from the Braunschweig and Wachtendonk facilities, and additional dementia care staff. Secondly, sales from existing facilities was below the previous year‘s levels due to occupancy levels.

The staff costs rose from € 32.7 million to € 33.4 million in the reporting period elapsed. This was mainly due to the new facilities, and higher expenses for temporary help staff. The rental costs fell slightly, and amounted to € 13.8 million in the second quarter (previous year: € 14.0 million).

In the materials costs area, food expenses rose, not only due to the new facilities, but also due to the third-party supply of our facility in Werl, which was necessitated because its canteen required renovation. This renovation was completed on July 1, however. An increase in maintenance measures resulted in a further rise in expenses, which is included in the budget.

We were forced to incur a further one-off effect due to the Greek crisis, and the shock fall in the euro exchange rate to the Swiss franc that this precipitated. This was due to an expiring property loan partly denominated in foreign currency, and which required servicing as of June 30, 2010. The related provisions amounted to around € 0.74 million in the first half of the year. The Group does not have any further foreign currency loans, however.

Earnings before interest, tax, depreciation and amortization (EBITDA) fell from € 6.2 million to € 5.7 million in the second quarter of 2010, mainly due to one-off effects. Earnings before interest and tax (EBIT) fell from € 3.8 million in the second quarter 2009 to € 3.2 million in the reporting period elapsed, while depreciation/amortization was almost unchanged.

The net profit for the period declined, however, since the net financial result, and particularly the tax expense, were also burdened by a one-off effect. This was due to a ruling arising from the external audit of past years at Elisa Seniorenstift GmbH, which resulted in charges to the net result for the period resulting from a supplementary interest claim for € 0.2 million, and a supplementary tax payment of € 0.8 million. We are nevertheless convinced that we should not have incurred this charge, and we will exhaust all legal means against the sellers of Elisa Seniorenstift GmbH.

Earnings after tax fell from € 1.1 million to € -0.8 million in the second quarter 2010 due to the above-described developments and one-off effects.

FIRST-HALF RESULTS REFLECT ONE-OFF EFFECTS

Sales rose from € 127.4 million to € 129.1 million in the first half of the year. Staff costs were up by € 1.3 million over the same period to € 66.1 million (previous year: € 64.8 million). Earnings before interest, tax, depreciation, amortization and rents (EBITDAR) consequently fell slightly to € 39.4 million (previous year: € 40.4 million). The rental costs also declined slightly in the first half of the year, and amounted to € 27.6 million (previous year: € 27.8 million). EBITDA reduced from € 12.6 million to € 11.8 million, and the EBITDA margin was 9.1% in the reporting period elapsed. EBIT was also down, from € 7.8 million to € 6.9 million, and the net financial result deteriorated from € -4.4 million to € -4.7 million due to the above described one-off effect.

The result in the first half of 2010 fell by the following amounts, particularly due to one-off effects:

Third-party suppliers to Werl facilities	0.28 mil. €
Currency difference on property loans	0.74 mil. €
Supplementary interest claim due to external audit	0.20 mil. €
Supplementary tax demand due to external audit	0.80 mil. €
Total one-off effects	2.02 mil. €

Special effects that were not only of a one-off nature also burdened the result, including start-up costs for the new facility in Wachtendonk (€ 0.14 million), and additional deferred taxes of € 0.48 million the increase of which, amongst others, accrued due to the valuation differences when capitalizing finance leases.

SIGNIFICANT CASH FLOW GROWTH

The cash position increased by € 5.8 million in the current reporting period. The cash position had declined by a total of € 5.1 million in the first half of 2009, by contrast.

Operating cash flow was € 10.6 million in the first half of 2010, € 1.9 million above the previous year‘s level of € 8.7 million. This is mainly due to a total € 4.1 million working capital reduction.

Cash flow from investing activities in the first half of the current financial year was positive at € 1.6 million (previous year: € -2.2 million). This was due to a € 5.4 million payment received from the sale of the property in Greiz. It is offset by total outgoing payments of € 3.8 million for investments in our facilities, IT systems and laundry.

Cash flow from financing activities changed from € -11.6 million in the first half of 2009 to € -6.3 million in the first half of 2010. In total, we paid out € 2.8 million for the redemption of finance debt in the current reporting period, and € 4.0 million for finance lease liabilities.

NET ASSETS

Total assets rose by € 9.9 million to reach € 246.3 million at the end of the second quarter of 2010 (December 31, 2009: € 236.4 million), representing a 4.2% increase.

On the assets side of the balance sheet, the cash position was up from € 8.9 million as of December 31, 2009 to € 14.7 million at the end of the second quarter, mainly due to the payment received from the sale of the property in Greiz. Property, plant and equipment rose by € 5.1 million to € 132.3 million at the end of the second quarter of 2010 (December 31, 2009: € 127.2 million). This is primarily due to the capitalization of the lease for our Seniorenresidenz Im Hagenland in Wachtendonk.

Current financial liabilities fell by € 6.2 million, from € 14.6 million as of December 31, 2009 to € 8.4 million at the end of the second quarter. This decline was mainly due to the prolongation of the Ennepetal property financing. We recategorized the loan from current financial liabilities to non-current financial liabilities due to the extension.

In the case of non-current liabilities, lease liabilities rose by € 8.7 million, from € 54.1 million as of December 31, 2009 to € 62.8 million at the end of the second quarter of 2010, due to the recognition as liabilities of the facilities in Wachtendonk and Greiz. Non-current financial liabilities increased by only € 4.5 million to € 75.4 million in the current reporting period (December 31, 2009: € 70.9 million), due to the recategorization of the property loan, and further redemptions.

EMPLOYEES

The average number of employees in the overall Group rose from 6,035 in the second quarter of 2009 to 6,180 in the second quarter of 2010, which corresponds to a rate of growth of 2.4%. The average number of staff members in the first half of the year rose from 6,026 in 2009 to 6,166 in the period under review (+2.32%).

ORDINARY SHAREHOLDERS' GENERAL MEETING 2010

The Ordinary Shareholders' General Meeting 2010, which was held for the first time at our Ravensberger Seniorenzentrum in Bielefeld, was attended by fewer individuals (36), presumably due to the hot weather, the World Cup, and potentially also the change of location. Nevertheless, a total of 12,261,912 shares out of a total of 32,660,000 shares were represented, equivalent to 37.54% of the issued share capital.

Ravensberger Seniorenzentrum,
Bielefeld

NEW ELECTIONS TO THE CURANUM AG SUPERVISORY BOARD

All of the agenda items that were covered, including the complete re-election of the CURANUM AG Supervisory Board, were approved by a high majority. Consequently, the company's Supervisory Board is currently composed as follows:

Supervisory Board Chairman
- Dr. Dieter Thomae, Sinzig, business studies graduate

Deputy Chairman of the Supervisory Board
- Dr. Uwe Ganzer, sole management board member of Varta AG, Hanover

- Dr. Michael B. Treichl London/United Kingdom, managing shareholder of Audley Capital Advisors LLP

- Bernd Quade, Unterföhring, business studies graduate, CFO of SimonsVoss Group

- Dr. Martin Hoyos, Vienna/Austria, auditor

- Prof. Peter Oberender, Bayreuth Director of the Social Law and Health Economics Research Centre at Bayreuth University, Director of the Medical Management and Health Sciences Institute at Bayreuth University, and Senior Partner of Oberender & Partner Management Consultancy, Bayreuth

PURCHASE AND SALE OF TREASURY SHARES

The Shareholders' General Meeting also approved the resolution regarding the authorization for the company to purchase and sell its own shares as per § 71 Section 1 Number 8 of the German Stock Corporation Act (AktG). This allows the Management Board, with the assent of the Supervisory Board to acquire treasury shares on the basis of a shareholders' general meeting authorization that is valid for the next five years.

APPLICATION OF UNAPPROPRIATED RETAINED EARNINGS

The Ordinary Shareholders' General Meeting of CURANUM AG of July 1, 2010 passed a resolution to bring forward to a new account the full amount of unappropriated retained earnings for the 2009 financial year of € 24,271,196.86.

The detailed results of the voting and all further relevant information regarding the Shareholders' General Meeting, as well as the company's current set of bylaws, can be found as usual on the Internet at www.curanum.de under the item Investor Relations/Deutsche Version/HV-Service.

OUR SHARE

CURANUM AG's share opened the second quarter on April 1, 2010 at a price of € 2.55 (previous year: € 2.75), and closed on June 30, 2010 at a price of € 2.23 (previous year: € 2.81). As a consequence, the share price reduced by a total of 12.55%.

The average trading turnover in the electronic XETRA trading system was 30,542 shares per day in the second quarter of 2010 (previous year: 15,986 shares), representing a 91.05% increase.

DIRECTORS' DEALINGS AND VOTING RIGHT NOTIFICATIONS IN THE FIRST HALF OF 2010

Transactions involving the CURANUM share or related financial instruments pursuant to § 15a of the German Securities Trading Act (WpHG) realized by members of our Management and Supervisory boards, other senior managers, or persons closely related with them, are immediately published on our website at www.curanum.de in the Investor Relations area under Directors' Dealings. We received no notifications concerning such transactions for the first half of 2010.

In the first half of the year, CURANUM AG received and published the following voting right notifications pursuant to § 21 and § 26 of the German Securities Trading Act (WpHG), as presented in the table below:

REPORT ON RISKS AND OPPORTUNITIES

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

OUTLOOK

VERY POSITIVE ECONOMIC TREND IN GERMANY

Forecasts for the second half of the current business year are entirely positive in the opinion of the ifo Economic Research Institute in Munich. German companies are particularly benefiting from higher demand from Asian countries. The economic research institute anticipates 2.1% GDP growth in 2010 due to export growth. Consumer price inflation is forecast at 1.1% for 2010.

The labor market will also reflect this positive trend, and the ifo Institute is forecasting that the number of unemployed individuals will drop by 190,000 in both 2010 and 2011.

While the 1% year-on-year fall in consumer spending this year is still moderate, a turnaround is anticipated to occur as early as 2011. The percentage change is expected at 0.7% compared with 2010. Although there is unlikely to be any change in the forecast for private household incomes in 2010 compared with 2009, economic research institutes expect them to grow by a total of 2.3% between 2010 and 2011.

VOTING RIGHT NOTIFICATIONS AS PER § 21 AND § 26 OF THE GERMAN SECURITIES TRADING ACT (WPHG):

Publication date	Shareholder making notification	Thereshold exceeded / below	Voting rights (as % of total voting rights)
02.03.2010	Lehman Brothers Holding Inc., Wilmington/ USA und Lehman Brothers Bankhaus AG, Frankfurt on Main/ Germany	< 5%	1,580,363 voting rights (4.84%)
08.04.2010	Audley European Opportunities Master Fund Limited, St Peter Port, Guernsey/ United Kingdom	< 10%	2,613,556 voting rights (8%)
08.04.2010	Audley Investment 1, Grand Cayman/ Cayman Islands	> 3%	1,440,465 voting rights (4.41%)
30.04.2010	Lehman Brothers Bankhaus AG, Frankfurt on Main/ Germany	< 3%	951,026 voting rights (2.91%)
05.05.2010	Lehman Brothers Holdings Inc., Wilmington/ USA	< 3%	951,026 voting rights (2.91%)

RISING DEMAND FOR OUTPATIENT AND INPATIENT CARE ACCOMPANIED BY SLOWER SUPPLY GROWTH

Supply growth now lags demand growth due to the slowdown in care sector construction activity that has been some federal Länder. This is already noticeable, particularly in federal Länder with very restrictive legislation, such as North Rhine Westphalia. There, care facilities‘ capacity utilization rates are already on the rise. This trend will prospectively continue since project plans and construction activity were already significantly lower in the last two years, and this level will rise only slowly in the future, and to a manageable extent.

CURANUM Group occupancy reported very positive trends in June and July 2010, in contrast to the first five months. Of particular note are the positive developments at our new facility in Wachtendonk, as well as the occupancy rise in some regions of North Rhine Westphalia. We are assuming that we can also step up our capacity utilization rates in the other federal Länder, and that our greater marketing and sales measures will exert a positive effect on utilization this year.

We have also achieved very gratifying ratings from the inspections of our facilities and of our outpatient services to date. A total of 85% of all homes and outpatient services that have been assessed to date received overall ratings of „very good“ or „good“. We anticipate that we will continue to receive similarly positive results from the facilities and outpatient services that have yet to be inspected. We continue to work in parallel on the ongoing quality optimization of our services in all areas, and we are very confident that we will be able to further enhance our image and occupancy on this basis.

Due to the above-described one-off effects, we will prospectively be unable to meet the results that we had budgeted to date for the full 2010 year (sales € 264.5 million to € 266.6 million, EBITDA € 28.5 million to € 30.0 million, and net income between € 6.5 million and € 7.5 million). We are adjusting our targets accordingly, and now budget for sales of € 261.5 million to € 263.5 million, EBITDA of € 25.5 million to € 27.0 million, and total net income of € 3.5 million to € 5.0 million.

We are retaining our strategy of each year acquiring seven to eight facilities with approximately 800 to 1,000 beds, of opening one to three new locations, and of further expanding the horizontal and vertical value-creation chain in order to meet the requirements of our occupants and the market, and we will continue to push ahead with these objectives.

Munich, August 2010

The Management Board

CONSOLIDATED BALANCE SHEET

as of June 30, 2010

ASSETS

in T€	30.06.2010	31.12.2009
Current Assets		
Cash and cash equivalents	14,748	8,899
Trade accounts receivable	6,363	6,482
Inventories	915	921
Current assets	5,236	5,413
Tax receivables	948	953
Security investment	372	372
TOTAL CURRENT ASSETS	28,582	23,040
Non-current assets		
Property, plant and equipment	132,334	127,253
Other intangible assets	2,466	2,794
Goodwill	65,718	65,718
Deferred tax assets	9,157	9,196
Other financial assets	8,027	8,443
TOTAL NON-CURRENT ASSETS	217,702	213,404
TOTAL ASSETS	246,284	236,444

SHAREHOLDERS' EQUITY AND LIABILITIES

in T€	30.06.2010	31.12.2009
Current liabilities		
Finance lease debt	4,499	4,169
Current finance debt	8,378	14,646
Trade accounts payable	5,767	5,226
Provisions	3,578	1,363
Income tax payable	1,118	78
Other current liabilities	12,954	14,225
TOTAL CURRENT LIABILITIES	**36,294**	**39,707**
Non-current liabilities		
Financial lease obligations	62,785	54,089
Non-current finance debt	75,368	70,891
Deferred tax liabilities	5,906	5,564
Provisions	95	95
TOTAL NON-CURRENT LIABILITIES	**144,154**	**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	1,776	-4,037
Consolidated profit	30	5,870
Other shareholders' equity	308	544
TOTAL SHAREHOLDERS' EQUITY	**65,836**	**66,098**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**246,284**	**236,444**

CONSOLIDATED INCOME STATEMENT

in the period from January 1 to June 30, 2010

in T€	Q2/2010	Q2/2009	HY1/2010	HY1/2009
1. REVENUES	64,982	64,286	129,141	127,384
2. Cost of sales	56,624	55,867	112,891	111,113
3. GROSS PROFIT/ LOSS	**8,358**	**8,419**	**16,250**	**16,272**
4. Selling and marketing expenses	313	348	583	603
5. General administration expenses	4,580	4,677	9,193	9,286
6. Other operating expenses	969	250	1,554	622
7. Other operating income	669	664	1,961	2,009
8. OPERATING INCOME/ LOSS	**3,165**	**3,808**	**6,881**	**7,770**
9. Interest and other expenses	2,503	2,144	4,746	4,495
10. Other interest and other income	16	12	33	101
11. EARNINGS BEFORE INCOME TAXES	**678**	**1,676**	**2,168**	**3,376**
12. Tax expense	1,185	470	1,693	891
13. Deferred tax expense	317	158	479	306
14. EARNINGS AFTER INCOME TAXES	**-824**	**1,048**	**-4**	**2,179**
of which attributable to minority interests	-21	-8	-34	-19
of which attributable to CURANUM AG shareholders	-803	1,056	30	2,198
Net income per share, **basic**, €	**-0.03**	**0.03**	**0.00**	**0.07**
Net income per share, **diluted**, €	**-0.03**	**0.03**	**0.00**	**0.07**
Number of underlying outstanding shares	32,267,835	32,254,898	32,267,835	32,311,648

STATEMENT OF COMPREHENSIVE INCOME

in the period from January 1 to June 30, 2010

in T€	Q2/2010	Q2/2009	HY1/2010	HY1/2009
EARNINGS AFTER INCOME TAXES	**-824**	**1,048**	**-4**	**2,179**
Gains/ losses from the change in fair value of financial instruments used for hedging purposes	-27	167	-297	-458
Gains/ losses from the measurement of Available for Sale securities	0	-3	0	-9
Gains/ losses from other earnings-neutral changes	-14	-13	-27	-27
Deferred tax relating to earnings-neutral components of comprehensive income for the period	8	-50	89	137
SUM OF SHAREHOLDERS' EQUITY REPORTED CHANGES IN VALUE	**-33**	**101**	**-235**	**-357**
SUM OF EARNINGS AFTER INCOME TAXES AND SHAREHOLDERS' EQUITY REPORTED CHANGES IN VALUE	**-857**	**1,149**	**-239**	**1,822**
of which attributable to minority interests	-21	-8	-34	-19
of which attributable to CURANUM AG shareholders	-836	1,157	-205	1,841

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in the period from January 1 to June 30, 2010

			Retained earnings	
in T€	Share capital	Additional paid-in capital	Accumulated profit/loss	Other retained earnings
01.01.2009	**32,660**	**32,303**	**-7,663**	**-136**
Comprehensive after-tax income for the period	--	--	3,807	-11
Dividend payment	--	--	--	--
Buyback of own shares	--	--	--	--
Other changes	--	--	--	-19
30.06.2009	**32,660**	**32,303**	**-3,856**	**-166**
01.01.2010	**32,660**	**32,303**	**-3,856**	**-181**
Comprehensive after-tax income for the period	--	--	5,870	-23
Other changes	--	--	--	-34
30.06.2010	**32,660**	**32,303**	**2,014**	**-238**

		Other shareholders' equity		
Buyback of own shares	Consolidated profits	Revaluation reserve	Cashflow-Hedge	Shareholders' equity
-970	**7,032**	**1,504**	**-626**	**64,104**
--	-1,628	-37	-320	1,811
--	-3,225	--	--	-3,225
-271	--	--	--	-271
--	19	--	--	--
-1,241	**2,198**	**1,467**	**-946**	**62,419**
-1,241	**5,870**	**1,448**	**-905**	**66,098**
--	-5,874	-27	-208	-262
--	34	--	--	--
-1,241	**30**	**1,421**	**-1,113**	**65,836**

CONSOLIDATED CASH FLOW STATEMENT

in the period from January 1 to June 30, 2010

in T€	HY1/2010	HY1/2009
I. OPERATING ACTIVITIES		
Result before income tax and minority interest	2,168	3,376
Depreciation/ amortization	4,927	4,823
Other interest and similar income	-34	-101
Interest and similar expenses	4,746	4,495
Gains/ losses from disposals of fixed assets	-153	17
Profit/ loss arising from property value	2,103	3,625
Change in net working capital	462	-3,672
Tax paid	-1,662	-1,589
Tax received	860	274
Interest paid	-2,838	-2,592
Interest received	34	57
Cash flow from operating activities	**10,613**	**8,713**
II. INVESTING ACTIVITIES		
Purchases of other business units	0	-329
Cash outflow for property, plant, equipment and intangible assets	-3,829	-1,908
Income from the sale of property, plant and equipment	5,385	0
Cash flow from investing activities	**1,556**	**-2,237**
III. FINANCING ACTIVITIES		
Cash inflow from entry of financial liabilities	400	0
Cash outflow from redemption of financial liabilities	-2,752	-4,221
Cash outflow for finance leasing (both interest and redemption proportion)	-3,968	-3,900
Cash outflow for buyback of own shares	0	-271
Dividend payments	0	-3,225
Cash flow from financing activity	**-6,320**	**-11,617**
Change in cash and cash equivalents	**5,849**	**-5,141**
Cash and cash equivalents at the beginning of the period	8,899	10,014
Cash and cash equivalents at the end of the period	**14,748**	**4,873**

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 half-year financial statement 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 half-year financial statement 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 half-year financial statement 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 AGREEMENT WITH IFRS

The half-year financial statement 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 June 30, 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
Residenzen Niederrhein GmbH[3]	Munich	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 June 30, 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 examination and publication of an annual account and of a management report according to the prevailling prescriptions valid for an incorporated company
3) Previously Residenz Lobberich GmbH

CHANGES TO ESTIMATES PURSUANT TO IAS 8.32 FF

The 1998-2001 external audit of Elisa Seniorenstift GmbH, which the CURANUM Group acquired in 2008, resulted in retrospective tax payments of T€ 945 including interest for the years 2003-2007.

As a change to an estimate, retrospective tax payments due to an external audit must be recognized through profit or loss during the period in which this information becomes known. This resulted in T€ 945 of provisions for taxes and interest payments in this set of half-yearly financial statements.

DISPOSAL OF A PROPERTY AS PART OF A SALE-AND-LEASE-BACK TRANSACTION

Two properties in which CURANUM operates care facilities were sold as the result of notary deeds of March 23, 2010. CURANUM owned one of the two properties. New rental agreements have been concluded with the new owner, which are classified as finance leases according to IFRS.

The Group received a cash inflow of € 5.4 million as a result of the sale of the property owned by CURANUM. The disposal proceeds in excess of the carrying amount total T€ 156, and require distribution over the lease's duration pursuant to IAS 17.59.

The second property, which CURANUM does not own, will be reported as a finance lease when the new rental agreement commences. This depends on the date when ownership transfers to the new owner, which, in turn, is connected with the payment of the full purchase price. The payment of the purchase price had not yet occurred as of the reporting date of this set of half-yearly financial statements.

PROFIT PER SHARE

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

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 REPORTS

All the services provided by CURANUM-Group are targeted at an identical group of customers. The risk-reward profile relating to these services has not significantly changed and remains interdependent. The segmentation of the internal reporting structure of the Company is likewise unchanged. In addition, the company is active primarily on the German market. No segment report has been prepared, since the Company's activities do not lend themselves to subdivision into a range of commercial segments.

Revenue of T€ 3,115 was generated with external customers by foreign subsidiaries in the first half-year of 2010. This set of half-year financial statement includes non-current assets of T€ 987 relating to these facilities.

4. CONTINGENT LIABILITIES AND ASSETS

Contingent liabilities are not included in the half-year financial statement. They appear in the notes, except where any possible outflow of economic benefit is extremely unlikely.

Contingent assets are likewise not included in the half-year financial statement. They are, however, given in the notes, where there is a likely inflow of economic benefit.

5. RESPONSIBILITY STATEMENT

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

Bernd Rothe
Chairperson of the
Management Board

Sabine Merazzi-Weirich
Member of the
Management Board

Judith Barth
Member of the
Management Board

CONTACT

If you should have further questions concerning our company
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CURANUM

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