



M. M. WARBURG & CO
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Press release

M.M.Warburg & CO closes 2009 with very good result Earnings from manifold banking activities Stable positive development of the previous years continues

Hamburg, March 29, 2010

The German private bank M.M.Warburg & CO based in Hamburg has achieved a net income before taxes of EUR 61.3 m in 2009, thus exceeding the previous year's result (EUR 46.8 m) by 31 percent.

The Warburg Banking Group, which, in addition to M.M.Warburg & CO, has six subsidiaries in Germany and one in Luxembourg as well as in Switzerland, increased its earnings before taxes by 26.3 percent yoy (EUR 52.0 m) to EUR 65.7 m. Degussa Bank, which belongs to the holding M.M.Warburg & CO Group, likewise achieved a good fiscal year, but will report separately.

Dr. Christian Olearius, spokesman for the General Partners:

"We are very pleased with the development. We have established many different fields of activity over the years. For this reason, we are well able to compensate for the ups and downs in the different areas of the banking business. We stuck to our down-to-earth attitude and kept our risks firmly under control. In doing so, we were able to significantly improve our results".

Almost all earnings will be used to further strengthen the bank. A total amount of EUR 50 m will be made available to fund the banking activities. The bank's liable capital according to the German Banking Act stands at EUR 327.4 m. The bank's overall key ratio improved to 12.8 percent (previous year 10.4 percent) pursuant to the Solvency Regulation. The core capital ratio of Warburg Bank is 10.3 percent.



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It was possible to raise earnings without having to expand the total assets.

Warburg Bank's total assets were slightly reduced to EUR 4.53 bn (previous year EUR 4.55 bn), the business volume to EUR 4.63 bn (previous year EUR 4.79 bn). The balance sheet total of the Warburg Banking Group declined to EUR 8.75 bn (previous year EUR 8.96 bn), the business volume to EUR 8.89 bn (previous year EUR 9.23 bn).

The bank continued to draw up its balance sheet pursuant to the German Commercial Code, thus waiving the right to choose another option, and without exception used the strict lower of cost or market principle taking into account the imparity.

The net fee and commission income of the Warburg Banking Group rose by 18 percent to EUR 107 m (previous year EUR 90.7 m), the interest income decreased by 2.7 percent to EUR 105.2 m (previous year EUR 108.1 m).

The Assets under Management of the Warburg Banking Group were up by 10.6 percent to EUR 32.3 bn (previous year EUR 29.2 bn).

The number of employees rose slightly. The Warburg Banking Group had 1,080 employees (previous year 1,012) at the end of 2009.

Development of the business segments

Investment Banking contributed disproportionately to the good result by virtue of the positive development in the field of fixed income as well as the fast recovery on the stock markets.

M.M.Warburg & CO sticks to the classical credit business by conviction and with good success. The well-balanced credit portfolio mainly comprising long-standing borrowers which are personally known made a significant contribution to the annual result for yet another time without having to make considerable value adjustments.

The Corporate Finance segment made a significantly improved contribution compared to 2008. Apart from transaction consulting, the assistance of SMEs with regard to complex financing topics is gaining in importance.

In Private Banking, M.M.Warburg & CO and all subsidiaries saw pleasing increases in customers and in funds managed. The retention of the private customers in last year's difficult investment environment was clearly noticeable. However, the tried and tested conservative consulting philosophy was retained.

| Seite 2/4



M. M. WARBURG & CO

1798

Asset Management and all associated administrative banking services (fund and custody business) also generated good earnings in the last fiscal year. Institutional investors were increasingly asking for individual solutions which were compiled in no time at all due to the bank's efficiency.

Outlook

The Warburg Banking Group will continue to cut its own path. The bank intends to grow consistently, while retaining an appropriate scale and avoiding any kind of overexpansion. The different business segments, which are well balanced among themselves, will be kept unchanged. Short-lived trends, alternately praising individual business segments or declaring them dead, will not be followed. As is appropriate for a private bank, the bank will stick to its basically cautious attitude both in its public appearance and in the media strategy.

The major changes of the economy caused by the financial crisis necessitate a detailed analysis in the opinion of the Hamburg-based private bank. The national and international interventions intended by the state must not overburden the banks and their customers. The emerging rules and standards must remain controllable, unnecessary bureaucracy is to be avoided, regulative principles have to be observed. This is the only way to smooth out distortions and to restore the general trust in the financial markets.

Dr. Olearius commented on the current FY 2010:

„Being an independent private bank with a clear ownership structure and a good capital backing we offer the entire range of modern banking services. We are efficient with tailor-made offers for private customers, SMEs and institutional investors. Leeway arising from changes in the banking environment can be actively used by us for the benefit of the customers“.



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M.M.Warburg & CO

M.M.Warburg & CO is one of the large and independent private banks in Germany and is available to private customers, corporate clients and institutional investors in the core business segments of asset management, private banking and investment banking. The Warburg Banking Group, which is active in the field of financial services, belongs to the holding company „M.M.Warburg & CO Gruppe KGaA“. The Warburg Banking Group basically consists of M.M.Warburg & CO, which is active both operatively and as an intermediate holding, and its subsidiaries Bankhaus Hallbaum, Bankhaus Löbbbecke, Bankhaus Plump, Marcard, Stein & CO, Warburg Hypothekenbank, Warburg Invest, M.M.Warburg & CO Luxembourg and M.M.Warburg Bank Switzerland. The Banking Group is represented in ten cities in Germany (Hamburg, Frankfurt, Cologne, Hanover, Osnabrück, Göttingen, Hildesheim, Berlin, Braunschweig, and Bremen) with numerous branches. Warburg is represented in Stuttgart by Schwäbische Bank AG. M.M.Warburg Bank Switzerland is based in Zurich, the subsidiary M.M.Warburg & CO Luxembourg is active in the financial centre of Luxembourg.

Notes

The reported figures do not include the figures of Schwäbische Bank, Degussa Bank and companies of VIGOR Beteiligungsgesellschaft mbH belonging to the Warburg Network. Schwäbische Bank, Degussa Bank and VIGOR report separately.

The annual report will be published after the first quarter 2010 and will also be available for download at that time.

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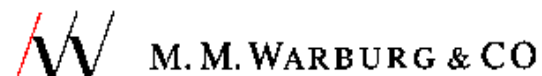
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Enclosure

Figures of fiscal years 2007 to 2009

Illustration M.M.Warburg & CO Gruppe

**Figures Warburg Bankengruppe
(cumulative basis)**



(in Euro millions)	2009	2008	2007
Income before taxes	65.7	52.0	55.2
Interest income	105.2	108.1	89.0
Net fee and provisions income	107.0	90.7	120.1
General administrative expenses	149.0	149.0	147.9
Total assets	8,753.9	8,963.2	8,724.0
Business volume	8,889.8	9,233.9	8,899.7
Liable capital according to German Banking Act	520.0	480.0	434.0
Assets under Management	32,320	29,200	30,500
Number of Employees	1,080	1,012	994
Cost income ratio	61.75 %	70.57 %	64.23 %
Return on equity (Core capital)	30.98 %	23.40 %	26.28 %

M.M.Warburg & CO Gruppe (GmbH & Co.) KGaA

Degussa Bank GmbH	M.M.Warburg & CO Kommanditgesellschaft auf Aktien		
	Bankhaus Hallbaum AG	Bankhaus Carl F. Plump & Co.	Bankhaus Löbbecke AG
	Marcard, Stein & Co AG	M.M.Warburg & CO Hypothekbank AG	Warburg Invest Kapital- anlagegesellschaft mbH
	M.M.Warburg Bank (Schweiz) AG	M.M.Warburg & CO Luxembourg S.A.	Schwäbische Bank AG*
	<i>Warburg Banking Group</i>		

* not included in figures 2009