2011
REPORT OF THE FIRST HALF YEAR

GROUP HALF YEAR REPORT OF
THE FIRST HALF YEAR 2011
JANUARY 1 TO JUNE 30, 2011

AURELIUS

IMPORTANT KEY FIGURES

		01/01 - 6/30/2011	01/01 - 06/30/2010[1]	Change
Consolidated revenues [1,2]	EUR mn	650.7	404.8	60.7%
Consolidated revenues (annualized) [2]	EUR mn	1,275.4	801.0	59.2%
EBITDA [1,2]	EUR mn	36.1	54.0	-33.1%
Consolidated profit/loss	EUR mn	-10.8	9.5	-213.7%
Earnings per share				
Basic [1,2]	EUR	-0.89	2.99	-129.8%
Diluted[1,2]	EUR	-0.89	2.99	-129.8%
Cash flow from operating activities	EUR mn	-5.3	28.9	-118.3%
Cash flow from investing activities	EUR mn	-26.0	-18.4	-41.3%
Free cash flow	EUR mn	-31.3	10.5	-398.1%

		06/30/2011	12/31/2010	Change
Assets	EUR mn	1,009.5	1,060.1	-4.8%
thereof cash and cash equivalents	EUR mn	154.5	177.2	-12.8%
Liabilities	EUR mn	685.7	706.0	-2.9%
thereof financial liabilities	EUR mn	212.5	187.9	13.1%
Equity [3]	EUR mn	323.9	354.1	-8.5%
Equity ratio [3]	in %	32.1	33.4	-3.9%
Employees at the reporting date		6,683	6,803	-1.8%

[1] Prior-year figures have been adjusted for comparison purposes. in accordance with the provisions of IFRS 5.
[2] From continuing operations.
[3] Including non-controlling interests.

CONTENT

TO OUR SHAREHOLDERS

04 Letter to the Shareholders

GROUP INTERIM MANAGEMENT REPORT OF AURELIUS AG

06 Reports on the portfolio companies

24 Financial performance, cash flows and financial position

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

28 Consolidated Statement of Comprehensive Income

30 Consolidated Statement of Financial Position

32 Consolidated Statement of Changes in Equity

33 Consolidated Cash Flow Statement

34 General Information

44 Imprint / Contact

LETTER TO THE SHAREHOLDERS

Dear shareholders, employees and friends of our company:

The present Half-yearly Financial Report of AURELIUS AG continues the pleasing overall trend of the last few months. In the first six months of the current fiscal year, we have been focusing on enhancing the operating activities of our subsidiaries, which have benefited greatly from the positive underlying economic conditions.

Two of our subsidiaries have completed add-on acquisitions with a view to accelerating their growth. Back at the beginning of May, our Switzerland-based system integrator connectis acquired Grouptec AG, a vendor of complex communications solutions based in Solothurn, Switzerland. This transaction has helped the company reinforce its market position. Our Blaupunkt subsidiary has also succeeded in expanding its position by completing a strategic platform acquisition – the takeover of KWest GmbH based in Schlitz near Fulda in June 2011. This acquisition helps the established company to greatly expand its development capacity in Europe. Furthermore, the portfolio of the acquired KWest represents a perfect fit with the Blaupunkt range.

Parallel to these acquisitions, we also sold Book Club Associates (BCA), a British online book distributor, to the similarly Britain-based Webb Group mail-order company during the reporting period.

AURELIUS increased its consolidated revenues by 61 percent to EUR 650,7 million in the first half of 2011 (2010: EUR 404,8 million); on an annualized basis, this corresponds to consolidated revenues of EUR 1,3 billion for fiscal 2011. Besides the major expansion of our portfolio of subsidiaries in the second half of 2010, this rise in the first half of 2011 can also be attributed to the strong performance of our subsidiaries. This is similarly reflected in the earnings before interest, taxes, depreciation and amortization (EBITDA) adjusted for income from the reversal of negative goodwill (bargain purchase income), which has quadrupled, to EUR 36,1 million, compared with the equivalent period last year (first half of 2010: EUR 8,9 million). The EBITDA additionally includes a non-recurring charge of EUR 15,5 million (first half of 2010: EUR 3,6 million) resulting from restructuring expenses incurred at the subsidiaries. Cash and cash equivalents of EUR 154,5 million together with a consolidated equity ratio of 32 percent will continue to provide our corporate group with a stable foundation moving forward.

At the end of July, we reached agreement on the acquisition of a 64.67 percent interest in HanseYachts AG with Michael Schmidt, the company's chairman, founder and previous majority shareholder. Formed in 1990, HanseYachts is a listed company that has established itself as the third-biggest series manufacturer of yachts in the world over the last 21 years. HanseYachts was forced to report a loss in its last two fiscal years, 2008/09 and 2009/10, as a result of the difficult underlying economic conditions. Building on the general economic recovery and the successful launch of innovative, new models, however, HanseYachts has succeeded in recording much higher sales revenues of late. Its operating results are expected to improve even more significantly with the future active support of AURELIUS.

We are again looking to strengthen our portfolio of subsidiaries in the second half of the year and enhance their operations. We expect the market for company transactions to pick up as well: interest is being shown in the subsidiaries that we have successfully developed and we are currently in the process of acquiring further promising companies at the same time. All the pillars of our business model have again proved their worth during the reporting period. The foundation consists of a carefully crafted acquisition process, followed by the sustainable operational development of our subsidiaries.

We would be delighted to have you accompany us on our journey.

Best regards,

Dr. Dirk Markus Gert Purkert Donatus Albrecht Ulrich Radlmayr

The executive board of AURELIUS AG
Munich, August 2011

GROUP INTERIM MANAGEMENT REPORT OF AURELIUS AG

Reports on the portfolio companies

The following comments reflect the developments of the individual corporate groups (subsidiaries) fully consolidated in the AURELIUS Group.

At the reporting date of June 30, 2011, the AURELIUS Group consisted of 15 operating groups which are held by intermediate holding companies. All together, AURELIUS AG has 131 subsidiaries and one consolidated company at equity (associated company).

Portfolio company	Industry sector	Segment	Head office
DFA-Transport und Logistik	Logistics and transportation services	Services & Solutions	Ronneburg, Germany
GHOTEL Group	Hotel chain	Services & Solutions	Bonn, Germany
Schabmüller Group	Manufacturer of electrical drive systems	Industrial Production	Berching, Germany
Schleicher Electronic	Producer of control systems	Industrial Production	Berlin, Germany
Wellman International	Recycler of disposable PET bottles	Industrial Production	Mullagh, Ireland
connectis	System integrator	Services & Solutions	Bern, Switzerland
Berentzen Group	Licquor manufacturer	Retail & Consumer Products	Haselünne, Germany
Consinto	IT consultancy	Services & Solutions	Siegburg, Germany
LD Didactic	Provider of technical teaching systems	Services & Solutions	Hürth, Germany
Blaupunkt	Car Infotainment and consumer electronics	Retail & Consumer Products	Hildesheim, Germany
Sit-Up TV	Home-shopping provider	Retail & Consumer Products	London, Great Britain
ISOCHEM Group	Producer of fine chemicals	Industrial Production	Vert-le-Petit, France
Reederei Peter Deilmann	Operator of the luxury cruiser MS DEUTSCHLAND	Services & Solutions	Neustadt (Holstein) Germany
SECOP	Manufacturer of hermetic compressors	Industrial Production	Flensburg, Germany
CalaChem	Producer of fine chemicals	Industrial Production	Grangemouth, Scotland

GROUP INTERIM MANAGEMENT REPORT

AURELIUS carried out two add-on acquisitions through its subsidiaries in the first half of 2011.

In May, the Swiss system integrator connectis acquired Solothurn, Switzerland-based Grouptec AG, a vendor of complex communications solutions. The acquisition helps connectis to reinforce its position as one of the most prestigious independent Unified Communication & Collaboration specialists in Switzerland.

In June, Blaupunkt acquired KWest GmbH (today: Blaupunkt Embedded Systems GmbH) based in Schlitz near Fulda. The platform acquisition serves to greatly expand Blaupunkt's development capacity in Europe, while the portfolio of the acquired company represents an ideal fit with the Blaupunkt product range.

In March, AURELIUS sold its Book Club Associates subsidiary (BCA), a British online book distributor, to the similarly Britain-based Webb Group following successful restructuring. In accordance with the requirements of IFRS 8, individual companies have been assigned to the *Industrial Production, Services & Solutions* and *Retail & Consumer* Products segments.

GROUP INTERIM MANAGEMENT REPORT

INDUSTRIAL PRODUCTION SEGMENT (IP)

SCHABMÜLLER GROUP

As a leading international manufacturer of electrical drive systems in mobile machinery, the Schabmüller Group focuses primarily on the development and production of AC, DC motors and synchronous motors. The Berching-based company's products are used in fork lift trucks and components for hybrid systems.

The Schabmüller Group always develops its innovative solutions in line with customer specifications, whether as complete systems, consisting of motor, transmission, steering system and control electronics, or standalone components.

Current developments

The Schabmüller Group benefited in the first half of 2011 from the rising global demand for industrial trucks, which represents the biggest sales market for the company. The market volume increased by 35 percent year-on-year. The corporate group was able to gain market share in this positive environment, recording further increase in sales as a result.

To accelerate its growth, the Schabmüller Group has invested in its production equipment and infrastructure. The work undertaken to expand the company premises in Berching (by 25 percent) will be completed by the start of the third quarter, when the added capacity will be ready to use.

The AC motor activities already added by the acquisition of Sauer-Danfoss at the end of 2008 also performed well, with the Schabmüller Group succeeding in acquiring new business. Furthermore, the corporate group is pursuing a growth strategy in industrial trucks, predominantly in the markets of North and South America and Asia. At the same time, work is under way on several development projects in the field of hybrid technologies mostly for agricultural machinery. New products are slated for presentation to the public for the first time at the *Agritechnica* trade fair staged in Hanover in November.

SCHLEICHER ELECTRONIC

Berlin-based Schleicher Electronic develops, produces and distributes electronic components and (safety) control systems for tool manufacture and special-purpose machinery construction. Working in conjunction with its customers, Schleicher Electronic devises individual solutions for everything from individual automation components to customer-specific overall concepts. The long-standing company's customer base notably includes German Mittelstand firms.

Current developments

In the first half of 2011, Schleicher Electronic recorded a major increase in its revenues, up more than 30 percent compared with the equivalent period last year. This development was driven mainly by growth in the Components/Safety Systems division.

Schleicher Electronic pressed ahead with the reorganization of its sales function primarily in the Controls division in order to lay the foundation for profitable growth in this area too. At the same time, the workforce in the Sales unit was expanded.

While constantly developing the company, the planned capital spending notably on research and development was pursued consistently and appropriately.

Schleicher Electronic assumes that the operating measures that have been implemented and planned will help it benefit disproportionately from the positive development in the industry.

WELLMAN INTERNATIONAL

Wellman International based in Mullagh, Ireland, is Europe's biggest recycler of disposable PET bottles. PET bottles collected throughout Europe are washed and shredded in two plants in Spijk, Netherlands, and Verdun, France. The material handled in this way, known as r-PET, is subsequently processed to form polyester fibers. This happens primarily in the company's own production plant at the headquarters of Wellman International in Ireland, which is the largest of its kind in Europe. Wellman International is also a leading producer of polyester fiber as a result.

Current developments

The first six months of fiscal 2011 were again dominated by rising commodity prices. The main inputs for the business rose by an average of 20 percent. Targeted sales campaigns helped to pass on most of these price rises to end customers. Measures relating largely to the HR function that had already been initiated in 2010 with a view to boosting efficiency took effect during the reporting period and had a positive influence on the company's results.

The company is planning to carry out research and development into further new products. The positive response to these products at trade fairs like *Index* in Geneva in April and *Techtextil* in Frankfurt in May 2011 give grounds for Wellmann International to be optimistic with regard to the current year. The company expects the prices of its inputs to stabilize in the second half of 2011.

ISOCHEM GROUP

The ISOCHEM Group is a leading supplier of specialty chemicals with production plants and modern research and development facilities in France and Hungary. The headquarters of the ISOCHEM Group are located in Vert-le-Petit, France. In addition, the ISOCHEM Group has a global distribution network and offers its customers wide-ranging expertise in the development of complex, multi-level syntheses, from laboratory scale through to industrial production. In particular, the corporate group serves customers from the pharmaceutical and agrochemical industries with its product offering that covers everything from chemical intermediates to chemical agents.

Current developments

During the reporting period, the measures initiated to change the strategic orientation of the company and reduce its costs led to a positive performance by the ISOCHEM Group that was acquired in the first quarter of 2010. Among other things, several new products were rolled out and numerous development orders acquired from both the pharmaceuticals industry and specialty chemicals customers. In addition, the group stepped up its marketing and sales activities, completely revamped its website, and expanded its presence at the relevant trade fairs in Europe and North America.

Whereas the market environment continued to develop positively in the Agriculture and Intermediate Products divisions in line with the general economic upturn, the Pharmaceuticals division experienced a mixed performance: while the market for generics remained strong, at the same time there was a decline in the number of active substances newly developed by the pharmaceuticals industry – and hence the number of development projects to be tendered.

Against this backdrop, the ISOCHEM Group expects to record both higher revenues and larger profits in 2011. All the divisions (Pharmaceuticals, Intermediate Products, and Agriculture) are projected to contribute equally.

GROUP INTERIM MANAGEMENT REPORT

SECOP

SECOP (formerly known as Danfoss Household Compressors) is a leading manufacturer of hermetic compressors for refrigerators and freezers, light commercial applications and 12-24-48 Volt DC compressors for mobile applications. The Flensburg-based company has production facilities in Europe and China. With more than 50 years of experience in the compressor business, SECOP is known for its expertise in the design and development of high-performance, high-efficiency leading technologies.

Current developments

The three core divisions of the corporate group that has been part of the AURELIUS Group since the fall of 2010 are facing strong competitive and price pressure. Despite intense price competition from Asian market players, SECOP succeeded in defending its share of the household applications market in the first half of 2011. The Light Commercial Applications division has largely stabilized on the back of strong demand in 2010. The Compressors for Mobile Applications division enjoyed double-digit growth during the reporting period, driven mainly by strong demand from the automotive industry, the telecommunications industry (batteries cooling) and for motor homes.

The restructuring and outsourcing of components that had been initiated were continued in the first half of 2011. SECOP will implement further measures aimed at optimizing processes in all of its divisions during the current fiscal year.

As part of the plan to optimize the company's European footprint, the European assembly activities are to be consolidated in Slovakia by 2012. This will also involve disposing of the component manufacturing operation in the Slovenian plant to a strategic partner, who will continue this side of the business.

CALACHEM

CalaChem Ltd. based in Grangemouth, Scotland, is an international producer of fine chemicals. Its product portfolio focuses on the agrochemicals and specialty chemicals segments. Customer relationships are underpinned by long-term supply contracts.

Besides producing fine chemicals, CalaChem also operates an Industrial Services division. This division provides a wide range of services for the adjacent Earls Gate industural estate, including the treatment of industrial waste water, the provision of process steam and the supply of electricity and various facility services.

Current developments

The redimensioning measures initiated following the acquisition in November 2010 were systematically continued in the first half of 2011, with the headcount reduction being completed as planned in March. The measures implemented to optimize the cost structure already started having a positive impact in the second quarter.

The sales offensive launched to coincide with the change of company name to CalaChem has yielded good results in terms of both ongoing business and the acquisition of new long-term contracts. Besides increasing volumes with existing products, the company has achieved success in current tenders so as to increase the announced production volume for the coming years. CalaChem has benefited from the sustainable positive development in the agricultural segment of the Fine Chemicals division.

In its service operations, CalaChem profited from the growth of the companies operating in the industrial estate; investments aimed at boosting the efficiency and expanding the capacity of the waste water treatment plant are planned accordingly. Despite ongoing risks on the energy markets, the company expects the positive overall development to continue over the second half of the year.

SERVICES & SOLUTIONS SEGMENT (S&S)

DFA - TRANSPORT UND LOGISTIK

Alongside its core business of providing logistics and transportation services to the construction industry, DFA - Transport und Logistik also has operations in the field of street and construction site services, maintenance of commercial and passenger vehicles, long-distance haulage and heavy haulage. The group has established itself as a strong partner for roadbuilding transportation services (covering all types of bulk materials, including sand, gravel, concrete and quarrying) besides is regional redevelopment activities. With facilities in Germany, Austria and Poland, DFA - Transport und Logistik has operations throughout Europe for its customers.

Current developments

DFA - Transport und Logistik performed well in the first half of the year 2011. The optimization measures initiated in 2010 are now taking full effect. Rolling out new software has helped to greatly improve the management and monitoring of the company's operating processes. Furthermore, financing has been secured for the working capital by way of an agreement with a financial institution.

On the operational side, DFA - Transport und Logistik benefited from both an increase in regional activities and major projects. The company has submitted tenders for several major building sites, with decisions not expected until in the final quarter of 2011.

GROUP INTERIM MANAGEMENT REPORT

GHOTEL GROUP

The Bonn-based GHOTEL Group runs 13 hotels and apartment blocks in central locations in major German cities, including Hamburg, Hanover, Stuttgart and Munich. The company offers attractive facilities, well-equipped conference rooms and contemporary living solutions such as "Wohnen auf Zeit" in its modern business and leisure hotels at a total of eight locations. The GHOTEL Group primarily targets people who are looking for good value for money in the mid-range price segment together with high quality service.

Current developments

GHOTEL hotel & living is benefiting more than most from the increased earnings generated by the German hotel trade. The development of both revenues and occupancy rates in the company's premises exceeded the industry average. With a view to putting its development on a sustainable footing, the company is using some of its profits to finance large-scale renovation and maintenance work in the individual properties. Among other things, this includes laying new carpets, equipping the hotel rooms with flatscreen TVs and acquiring new furniture. At the same time, the company's website is being revamped.

Following the successful opening of the GHOTEL hotel & living Koblenz in July 2010, the company is continuing to pursue its expansion strategy. Among other things, the building work on the 17-storey building of the future GHOTEL hotel & living Würzburg is being expedited to ensure that it can be opened in 2012.

GHOTEL expects to perform very well in 2011 and is aiming to press ahead with its profitable growth.

CONNECTIS

The Bern-based Swiss system integrator connectis offers its customers both solutions for safe networks and applications in voice, data and video communications and the world of unified communications. The company carries out the planning, roll-out, maintenance and operation of system solutions from a single source and is the official partner of leading global manufacturers including Cisco, Microsoft and Avaya. connectis operates out of a total of eight facilities and has activities throughout Switzerland. In March 2011, the company acquired Grouptec AG, a vendor of complex communications solutions.

Current developments

connectis benefited from the positive industry trend in the first half of 2011, while capital spending by customers has returned to pre-crisis levels. Whereas the Managed Services, Unified Communication & Collaboration Solutions (UCC), Data Center and Advisory Services units performed extremely well, the pressure on margins remains high in trading activities. In this setting, connectis succeeded in significantly increasing both its revenues and its margins, assisted primarily by the streamlining of the portfolio that was completed during the reporting period.

The Microsoft Technology activities were massively expanded by the acquisition of Switzerland-based Grouptec AG. The company which was acquired in March is currently being integrated into the structures of connectis. The acquisition helps connectis to reinforce its position as one of the most prestigious independent Unified Communication & Collaboration specialists in Switzerland.

During the reporting period, connectis succeeded in acquiring the biggest order in the company's history with a volume of CHF 25 million running for five years.

connectis expects to perform well in the current fiscal year. The company intends to expand its strategic partnerships as a business enabler.

CONSINTO

Siegburg-based Consinto is a leading, independent, mid-sized IT consultancy with its own computer center, more than 30 years of industry experience and prestigious customers in the fields of automotive & manufacturing, aerospace & defense, energy & utilities, and banks & insurers. The name is derived from the company's core competencies: consulting, system integration and operation.

Current developments

Consinto has grown strongly during the year to date. The recovery that started toward the end of 2010 has continued with both existing and new customers. This made it possible to migrate a number of new outsourcing clients to Consinto's Nuremberg computer center.

Consinto established a subsidiary under the „Inshore Software Services" brand to provide remote application support and maintenance for various technology platforms. In addition, the company set up a new Application Lifecycle Management division which was designated a "ramp-up partner" of SAP AG before the product was launched.

Consinto underwent ISO 27001 certification during the reporting period in order to optimize the existing management system for IT security and have it externally evaluated. To strengthen the Critical Supply Chain Solutions units, the IT consultancy held the first ILS symposium (Integrated Logistic Support). A Junior Development Program for SAP consultants was inaugurated to secure enough suitably qualified personnel for the future.

Consinto expects to report solid growth for the current fiscal year.

LD DIDACTIC

LD Didactic based in Hürth near Cologne is a leading worldwide provider of technical teaching systems for schools and industry. The Group offers complete solutions for general science education and further education in engineering and the sciences. The combination of chemistry, biology, physics and electrical engineering makes it possible for LD Didactic to offer comprehensive learning solutions for both the basic research and applications fields of vendors of technical and scientific teaching programs.

Current developments

The global market for technical and scientific teaching materials is continuing to develop positively on the back of substantial investments in education, although this has cooled somewhat following the expiry of the large-scale stimulus packages of recent years. LD Didactic assumes that the German market will normalize in the second half of 2011 and domestic demand will start rising again from 2012 at the latest. All in all, a major backlog of investment in the field of technical teaching materials at German schools and universities can still be observed.

LD Didactic regained use of the historic Leybold brand in the first half of 2011. A long-term cooperation agreement was reached with the brand owner, allowing among other things for the Leybold brand to be reintroduced for the company's products and solutions. The extremely positive response from many business partners and customers reaffirms the huge value of this agreement for LD Didactic.

Furthermore, the restructuring of LD Didactic continued as planned during the reporting period. Among other things, the reorganization of the head office in Hürth and investments in new production processes could be successfully completed. In addition, the second Regional Sales Office in the Middle East was opened in July. The new sales office represents a further step in the systematic expansion of the company's sales capacity.

The company unveiled new products in the fields of sensor systems, renewables and networked learning worlds for the sciences and vocational education at the *Didacta 2011* trade fair, thus underscoring its innovative potential.

A program of subsidies for retaining and enhancing existing jobs was agreed with the State of Thuringia for the second production facility in Urbach. This serves to secure the production of high quality teaching materials in Germany – as a hallmark of quality and performance – into the future.

Now that the reorganization of the company has been completed, LD Didactic will turn its attention to growth. This will involve reinforcing its ability to innovate, stepping up sales activities and expediting modernization of the manufacturing capacity. The plans call for several million euros to be invested.

REEDEREI PETER DEILMANN

Reederei Peter Deilmann based in Neustadt, Holstein, operates the MS DEUTSCHLAND, which was built by Howaldtswerke Deutsche Werft AG in Kiel in 1998 and launched by former German president Richard von Weizsäcker. Since it was set up in 1972, the company has made a name for itself for luxury cruises. The 5-star liner is well known in the German-speaking world from a major TV series known as the "Traumschiff". It is the only cruise ship in the world to fly the German flag.

Current developments

The overhaul of the branding initiated following the acquisition in the autumn of 2010 coupled with promotional measures that were undertaken started to yield results, as reflected in a rising number of bookings. The new management team introduced itself to travel agencies, sales partners and regular passengers with customer roadshows in many major German cities at the end of 2010, receiving positive feedback. A second roadshow like this was already started in July 2011.

The MS DEUTSCHLAND was modernized by a shipyard during May 2011. Alongside replaced interior fittings and a new coat of paint, there were also updates to the pool section, the air-conditioning, the passenger elevators, the ship's loudspeaker system and the engines. Top quality catering, a sophisticated program of entertainment and a broad range of wellness options are intended to secure the leading role of the "Traumschiff" in the luxury segment.

The new routings will take the MS DEUTSCHLAND to South America in winter 2011. For the first time, a circumnavigation of the African continent is planned for winter 2012. Northern Europe will be added to the offer in the summer of 2012, with around a dozen cruises including one as far as Ilulissat, Greenland, in the Arctic summer. Ten stopovers in Germany are planned for the cruise ship in 2012. One of the highlights of next year is the journey to the Olympic Games in London, where the MS DEUTSCHLAND will be moored as the Official German Ship London 2012 during the 2012 Olympics.

Filming will again take place on the MS DEUTSCHLAND this summer for the TV series "Das Traumschiff", this time to celebrate the show's 30th anniversary.

RETAIL & CONSUMER PRODUCTS SEGMENT (RCP)

BERENTZEN GROUP

Based in Haselünne in Lower Saxony, the Berentzen Group is one of the leading drinks groups in Germany. Its strong, sophisticated spirits brands and attractively priced private-label products mean that the Berentzen Group is capable of responding competently, comprehensively and quickly to changing consumer demands in Germany. The Berentzen Group also has international activities with spirits brands like Berentzen and Puschkin running in around 40 countries around the world. The Berentzen Group is the biggest Pepsi Cola franchise partner in Germany and producer of wellness and soft drinks, which means it is also successful with its domestic operations in the market for non-alcoholic beverages.

Current developments

The Berentzen Group continued its strategy of growing in the first half of 2011. Alongside intensified activities with branded spirits in the rest of western Europe – most notably in the Netherlands and France – work continued to tap new growth markets in India, China and Russia. Prospective growth in these markets is built around country-specific action plans, close collaboration with local importers and bottlers, and the company's own country managers. Central European spirits operations continue to prove dissatisfactory, with the Czech Republic and Slovakia unable to generate positive contributions to volumes.

Since the beginning of 2011, the Berentzen Group has again turned to pro-active branding and marketing. Among other things, this has involved rolling out the new "Berentzen Rhubarb-Strawberry" creation with further "fruits of the year" set to follow in new flavors. Berentzen has had a ready-to-drink variant available on the German market since April with the „Puschkin Explosion" vodka mix. The company similarly aims to exploit opportunities for growth in the burgeoning cider segment with the trend drink Berentzen BCidr. Further new spirit products will be ready for market before the end of 2011.

In light of the good underlying economic conditions in Germany and the optimized cost structures within the company, the Berentzen Group is retaining its projection for 2011 of being able to complete the fiscal year with an operating profit.

GROUP INTERIM MANAGEMENT REPORT

BLAUPUNKT

Hildesheim-based Blaupunkt is a major international distributor of high quality electronics equipment in the field of car infotainment; among other things, this includes car radios and car hi-fi components. Blaupunkt also has activities in the entertainment electronics market with innovative lifestyle products.

Current developments

Following the successful realignment of the company by the owner AURELIUS, Blaupunkt is again on course to expand. To support the further growth, the headquarters in Hildesheim have been completely modernized to bring all the departments and functions together in a single building and provide the right infrastructure. In June, the company acquired KWest GmbH (today: Blaupunkt Embedded Systems GmbH) based in Schlitz near Fulda. The platform acquisition serves to greatly expand Blaupunkt's development capacity in Europe, while the portfolio of the acquired company represents an ideal fit with the Blaupunkt product range. The Schlitz facility is to become the European development center for Blaupunkt.

In spring 2011, Blaupunkt successfully rolled out the LED TVs and shortwave receivers that were unveiled at the 2010 IFA trade show as the first new products under the Blaupunkt Global Brand Community concept. Moreover, at the start of 2011 Blaupunkt started marketing products from the newly created Blaupunkt Telematics division that are used to transmit telematic data inside and outside of vehicles. Innovative audio solutions introduced under the Blaupunkt Global Brand Community concept have also been available from stores since the middle of the year. Blaupunkt is returning to the headphone market in mid-2011 with a broad range of products, taking it back to the origins of its success. Back in the 1920s, headphones featuring the "Blauer Punkt" as a symbol of quality were the must-have product. Blaupunkt aims to launch several models in the handsfree phone segment in the second half of the year. Preparations are currently under way for the IFA 2011. Following on from its successful presence last year, Blaupunkt will use a much larger stand this time, where it will present its product range together with all the brand partners in the Blaupunkt Global Brand Community.

GROUP INTERIM MANAGEMENT REPORT

SIT-UP TV

Sit-Up TV is the second-biggest home-shopping provider in Britain. The company runs three interactive home-shopping channels: bid tv, price-drop tv and speed auction tv, each with their own website on which their complete ranges are offered. Sit-Up TV sells its broad product range via an innovative price mechanism involving an auction format in which the prices fall during the bidding process and the participants need only pay the lowest price. This format gives Sit-Up TV a unique positioning in the marketplace. The company's live program has a technical reach of over 22 million households. It is broadcast on the Virgin, Freeview and Sky TV platforms.

In addition to TV shopping, the company also reinforced its online distribution channels in 2010 with a view to profiting from the future growth in British distance commerce, which will be driven primarily by the convergence of the TV and the internet.

Current developments

The standard rate of value-added tax in Britain was raised at the start of 2011, and there will be little impetus for growth in 2011 on account of the reduction in public spending. An adjustment has become apparent in the retail market caused by a distinct reluctance to spend on the part of consumers.

Sit-Up TV is continuing to rely in this market environment on consistently improving its efficiency, optimizing its operating processes and boosting the attractiveness of its offering for consumers. After the change of call center operator and logistics provider had led to a significant improvement in performance capability in 2010, the focus was switched to internal efficiency during the reporting period. In line with this, the sales organization has been remodeled in channel-specific sectors with a high level of autonomy, the purchasing organization given a category management structure and the technology used in e-commerce activities modernized.

Starting in the middle of the year, a new branding is to be implemented that will result in a much clearer alignment of the various TV channels. In addition, the individual programs will also be broadcast by live-streaming on the internet.

Sit-Up TV is very confident of being able to perform well during 2011 on the back of these measures coupled with addition of experienced industry experts to the team, despite the negative operating conditions.

GROUP INTERIM MANAGEMENT REPORT

FINANCIAL PERFORMANCE, CASH FLOWS AND FINANCIAL POSITION

Development of consolidated revenues and consolidated profit in the first half of 2011

In the period from January 1 to June 30, 2011, AURELIUS AG increased its consolidated revenues by 61 percent to EUR 650.7 million, as compared to EUR 404.8 million in the first half of 2010. This increase resulted mainly from the companies acquired during the course of fiscal year 2010, which have therefore been included in the consolidated figures for the first time on a full-year basis since the beginning of fiscal year 2011. The year-ago comparison figures were adjusted accordingly, in accordance with the provisions of IFRS 5.

In May 2011, the AURELIUS subsidiary connectis acquired Grouptec AG, which is also based in Switzerland. The newly acquired company has been included in the consolidated financial statements as of May 1, 2011. Having been acquired by the AURELIUS subsidiary Blaupunkt in June, the company KWest GmbH (today: Blaupunkt Embedded Systems GmbH), which is headquartered in Schlitz, near Fulda, has been included in the consolidated financial statements as of June 30, 2011.

The determining date for the initial consolidation or inclusion of a subsidiary in the consolidated financial statements is the date of closing of a transaction, because that is when AURELIUS first attains complete control over the acquired company. The fair value measurement to be conducted in connection with the initial consolidation of the two acquisitions has not yet been completed. For that reason, no goodwill or bargain purchase income has been recognized in the semiannual financial statements.

In March 2011, AURELIUS sold the British mail-order bookseller Book Club Associates (BCA) to the English Webb Group. Because the decision to sell BCA was made already at the end of 2010, this corporate group had already been classified as discontinued operations according to IFRS 5 in the consolidated financial statements for 2010.

In accordance with the requirements of IFRS 8, individual companies have been assigned to the Industrial Production, Services & Solutions and Retail & Consumer Products segments. Please refer to Section 4 of the notes to the consolidated financial statements for key figures on the individual segments as well as discontinued operations.

At EUR 38.1 million, the other operating income was 46 percent less than the corresponding year-ago figure of EUR 71.1 million. The decrease resulted mainly from the fact that no income was generated from the reversal of negative goodwill (bargain purchase income) in the reporting period. In the first half of 2010, such income contributed EUR 45.1 million to the other operating income.

The net income/expenses from associated companies amounted to EUR 0.5 million (PY: EUR -2.5 million).

Purchased goods and services rose to EUR 413.1 million in the first half of 2011 (PY: EUR 223.8 million). This increase resulted mainly from the compressor manufacturer SECOP, which was acquired only in the second half of 2010 and is therefore not yet included in the comparison figures for the first half of last year.

Accordingly, the ratio of purchased goods and services to revenues was 63 percent (PY: 55%). At EUR 139.6 million, the personnel expenses were 53 percent higher than the corresponding year-ago figure (PY: EUR 91.0 million). Thus, the ratio of personnel expenses to revenues was 21 percent, as compared to 22 percent in the first half of last year.

At EUR 108.4 million, the other operating expenses were 5 percent higher than the corresponding year-ago figure (PY: EUR 102.8 million).

The earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 36.1 million in the first half of 2011, as compared to EUR 54.0 million in the first half of 2010. Adjusted for income from the reversal of negative goodwill (bargain purchase income), the EBITDA generated in the first half of 2011 was four times higher than the corresponding figure for the first half of last year.

After deduction of amortization and depreciation of intangible assets and property, plant and equipment in the amount of EUR 35.2 million (PY: EUR 20.1 million), AURELIUS generated earnings before interest and taxes (EBIT) of EUR 0,8 million in the first half of 2011 (PY: EUR 33.9 million). Within the item of depreciation and amortization, an amount of approximately EUR 7.0 million resulted from prior-period PPA items, that is, from the restatement of intangible assets and property, plant and equipment in connection with the initial consolidation of the companies in question.

Net financial expenses amounted to minus EUR 6.1 million, as compared to minus EUR 3.2 million in the corresponding year-ago period. Tax expenses amounted to EUR 3.7 million (PY: EUR 0.6 million).

After deduction of the expenses from discontinued operations in the amount of minus EUR 1.8 million (PY: EUR -20.6 million) and non-controlling interests in the amount of minus EUR 0.5 million (PY: EUR 1.4 million), the period net loss attributable to shareholders of the parent company amounted to minus EUR 10.3 million (PY: EUR 8.1 million). The diluted earnings per share from continuing operations amounted to minus EUR 0.89, as compared to EUR 2.99 in the first half of 2010.

Financial position and cash flows

At the reporting date of June 30, 2011, the total assets of the AURELIUS Group amounted to EUR 1,009.5 million, as compared to EUR 1,060.1 million at December 31, 2010 (-5%).

At the reporting date of June 30, 2011, the non-current assets amounted to EUR 429.1 million (-4% compared to December 31, 2010: EUR 446.7 million), representing 43 percent of total assets (December 31, 2010: 42%). Non-current assets include intangible assets in the amount of EUR 100.3 million (-8% compared to December 31, 2010: EUR 108.5 million). The intangible assets are mainly composed of capitalized software, industrial property rights, trademarks, orders on hand, technologies, research and development expenses and customer relationships. The non-current assets also include property, plant and equipment in the amount of EUR 303.8 million (December 31, 2010: EUR 304.5 million), as well as financial investments in the amount of EUR 17.6 million (+4% compared to December 31, 2010: EUR 17.0 million). At EUR 4.7 million, deferred tax assets were 66 percent less than the corresponding figure of EUR 14.0 million at December 31, 2010.

At EUR 580.4 million, the current assets were also less, by 5 percent, than the corresponding figure at the end of 2010 (December 31, 2010: EUR 613.4 million). This item includes inventories in the amount of EUR

165.3 million (+9% compared to December 31, 2010: EUR 151.1 million). The trade receivables of EUR 185.0 million were slightly less, by 4 percent, than the corresponding figure of EUR 193.3 million at December 31, 2010. The current income tax assets of EUR 7.4 million were 6 percent higher than the corresponding figure of EUR 7.0 million at December 31, 2010. The current assets also include derivative financial instruments in the amount of EUR 1.7 million (-60% from December 31, 2010: EUR 4.2 million). At EUR 5.5 million, the assets held for sale were about 67 percent less than the corresponding figure at the end of 2010 (EUR 16.6 million); this decrease resulted in particular from the sale of the operating business of the British book club Book Club Associates.

The cash and cash equivalents amounted to EUR 154.5 million, as compared to EUR 177.2 million at December 31, 2010.

At June 30, 2011, the equity of the AURELIUS Group amounted to EUR 323.9 million, as compared to EUR 354.1 million at the end of fiscal year 2010. Accordingly, the Group equity ratio was 32 percent, as compared to 33 percent at December 31, 2010.

The non-current liabilities of EUR 295.1 million were 8 percent less than the corresponding figure at the end of 2010 (December 31, 2010: EUR 320.0 million). This item includes pension obligations in the amount of EUR 34.4 million (December 31, 2010: EUR 34.3 million), most of which are attributable to the Berentzen Group, Consinto, Blaupunkt, the ISOCHEM Group, SECOP and Schabmüller. The provisions contained within the non-current liabilities amounted to EUR 9.3 million and were therefore 21 percent less than the corresponding figure of EUR 11.8 million at the end of 2010. At EUR 155.8 million, the non-current financial liabilities were slightly higher, by 5 percent, than the corresponding comparison figure (December 31, 2010: EUR 148.0 million). Due in particular to the lower amount of current tax liabilities, the other non-current liabilities of EUR 24.6 million were nearly 50 percent less than the corresponding figure at the end of 2010 (December 31, 2010: EUR 46.4 million).

At EUR 390.5 million, the current liabilities were 1 percent higher than corresponding figure at December 31, 2010 (EUR 386.0 million). This item includes current provisions in the amount of EUR 28.8 million (December 31, 2010: EUR 34.2 million). In total, the current and non-current provisions were less than the corresponding figure at December 31, 2010 by EUR 8.0 million or 17 percent. This decrease resulted mainly from the EUR 3.8 million reduction in restructuring expenses. The current liabilities also include financial liabilities of EUR 56.8 million (December 31, 2010: EUR 40.0 million). The trade payables of EUR 170.2 million were nearly unchanged from the corresponding figure at December 31, 2010 (EUR 171.4 million). At EUR 26.2 million, the liquor tax liabilities were 17 percent higher than the comparison figure (December 31, 2010: EUR 22.3 million); they relate exclusively to Berentzen Group.

Cashflows

In the first half of 2011, the cash flow from operating activities was negative, at minus EUR 5.3 million (June 30, 2010: EUR 28.9 million), mainly due to the build-up of working capital in the subsidiaries.

The cash flow from investing activities was likewise negative, at minus EUR 26.0 million (June 30, 2010: EUR -18.4 million). The investments related mainly to the new properties of GHOTEL Group, as well as technical equipment, plant and machinery at SECOP and technical equipment, plant and machinery and operational and office equipment at Berentzen Group, DFA-Transport und Logistik and ISOCHEM-Group.

GROUP INTERIM MANAGEMENT REPORT

The free cash flow of minus EUR 31.3 million was considerably lower than the corresponding year-ago figure of EUR 10.5 million.

The cash flow from financing activities amounted to EUR 9.3 million (June 30, 2010: EUR 0.1 million). It consisted mainly of cash inflows from the borrowing of current financial liabilities in the amount of EUR 19.5 million (June 30, 2010: EUR 5.0 million), cash inflows from the borrowing of non-current financial liabilities in the amount of EUR 3.5 million (June 30, 2010: EUR -2.8 million) and the cash outflow of EUR 12.5 million for the dividend payment by AURELIUS AG.

The cash and cash equivalents amounted to EUR 154.5 million, as compared to EUR 177.2 million at December 31, 2010.

Employees

At the reporting date of June 30, 2011, the AURELIUS Group had a total of 6,683 employees, indicative of a moderate, 2 percent decrease from the corresponding figure at the end of fiscal year 2010 (December 31, 2010: 6,803). In total, the AURELIUS Group had 4,179 salaried employees and 2,504 wage earners.

Significant events after the close of the reporting period

At the end of July AURELIUS has signed an agreement with Michael Schmidt, CEO, founder and majority shareholder of HanseYachts AG to take over his 64.67 percent stake in the company. Founded in 1990, HanseYachts AG has been able to establish itself as one of the market-leading serial manufacturers of oceangoing sailboats. Since its IPO in March 2007, the shares of HanseYachts AG are traded in the General Standard segment of the Frankfurt stock exchange. In the financial year 2009/2010 the company generated revenues of EUR 73.2 million.

Due to the global economic crisis, HanseYachts AG reported negative results in the financial years 2008/2009 and 2009/2010. With the economic recovery and through the successful introduction of new and innovative models, HanseYachts AG was able to increase its market share. Substantial improvements of the operating results are to be expected on the basis of the prospective operational support by AURELIUS AG. The current order intake also supports high expectations.

HanseYachts AG's brand portfolio consists of its key brand Hanse and the traditional brands Dehler and Moody. Additionally, the company produces Fjord motorboats, which cover an exclusive niche segment. Given the diversified brand portfolio, HanseYachts AG serves a relatively wide range of customers.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

of AURELIUS AG for the period from January 1 to June 30, 2011

in kEUR	Notes	01/01 - 06/30/2011	01/01 - 06/30/2010*
Continuing operations			
1. Revenues	2.1	650,713	404,804
2. Change in inventories of finished and semi-finished products		7,782	-1,895
3. Other operating income	2.2	38,129	71,110
4. Income/expenses from associated companies		541	-2,489
5. Purchased goods and services	2.3	-413,105	-223,783
6. Personnel expenses	2.4	-139,618	-90,964
7. Other operating expenses		-108,383	-102,784
8. Earnings before interest, taxes, depreciation and amortization (EBITDA)		**36,059**	**53,997**
9. Amortization and depreciation of intangible assets and property, plant and equipment		-35,238	-20,075
10. Earnings before interest and income taxes (EBIT)		**821**	**33,922**
11. Other interest and similar income		592	837
12. Interest and similar expenses		-6,730	-4,076
13. Earnings before taxes (EBT) from ordinary activities		**-5,317**	**30,683**
14. Taxes on income		-3,663	-587
15. Profit/loss after taxes from continuing operations		**-8,980**	**30,096**
Discontinued operations			
16. Income/expenses from discontinued operations		-1,815	-20,627
Profit/loss for the period			
17. Consolidated profit/loss		-10,795	9,469
Other income/expenses			
18. Foreign exchange differences		-629	1,699
19. Cash flow hedges		-2,461	- / -
Comprehensive income/loss for the period			
20. Comprehensive income/loss		-13,885	11,168
Share of period profit/loss attributable to:			
- Shareholders of the parent company		-10,333	8,074
- Non-controlling interests		-462	1,395
Share of comprehensive income/loss attributable to:			
- Shareholders of the parent company		-13,381	9,773
- Non-controlling interests		-504	1,395
Earnings per share			
- Basic, in euros			
From continuing operations		-0.89	2.99
From discontinued operations		-0.19	-2.11
Total from continuing and discontinued operations		-1.08	0.88
- Diluted, in euros			
From continuing operations		-0.89	2.99
From discontinued operations		-0.19	-2.11
Total from continuing and discontinued operations		-1.08	0.88

* The prior-year consolidated statement of comprehensive income was adjusted for comparison purposes, in accordance with the provisions of IFRS 5 .

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

of AURELIUS AG for the period from April 1 to June 30, 2011

in kEUR	Konzernanhang	04/01 - 06/30/2011	04/01 - 06/30/2010*
Continuing operations			
1. Revenues	2.1	323,609	227,710
2. Change in inventories of finished and semi-finished products		2,519	-1,444
3. Other operating income	2.2	21,450	60,269
4. Income/expenses from associated companies		322	278
5. Purchased goods and services	2.3	-202,406	-124,405
6. Personnel expenses	2.4	-71,978	-50,144
7. Other operating expenses		-54,577	-65,986
8. Earnings before interest, taxes, depreciation and amortization (EBITDA)		**18,939**	**46,278**
9. Amortization and depreciation of intangible assets and property, plant and equipment		-18,324	-11,789
10. Earnings before interest and income taxes (EBIT)		**615**	**34,489**
11. Other interest and similar income		244	478
12. Interest and similar expenses		-3,589	-2,367
13. Earnings before taxes (EBT) from ordinary activities		-2,730	32,600
14. Taxes on income		-2,220	-248
15. Profit/loss after taxes from continuing operations		-4,950	32,352
Discontinued operations			
16. Income/expenses from discontinued operations		-577	-14,478
Profit/loss for the period			
17. Consolidated profit/loss		-5,527	17,874
Other income/expenses			
18. Foreign exchange differences		80	1,024
19. Cash flow hedges		-1,024	- / -
Comprehensive income/loss for the period			
20. Comprehensive income/loss		-6,471	18,898
Share of period profit/loss attributable to:			
- Shareholders of the parent company		-5,119	16,725
- Non-controlling interests		-408	1,149
Share of comprehensive income/loss attributable to:			
- Shareholders of the parent company		-6,021	17,749
- Non-controlling interests		-450	1,149
Earnings per share			
- Basic, in euros			
From continuing operations		-047	3.25
From discontinued operations		-0.06	-1.47
Total from continuing and discontinued operations		-0.53	1.78
- Diluted, in euros			
From continuing operations		-0.47	3.25
From discontinued operations		-0.06	-1.47
Total from continuing and discontinued operations		-0.53	1.78

* The prior-year consolidated statement of comprehensive income was adjusted for comparison purposes, in accordance with the provisions of IFRS 5 .

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of AURELIUS AG at June 30, 2011

ASSETS

in kEUR	Notes	06/30/2011	12/31/2010
Non-current assets			
Intangible assets	3.1	100,324	108,464
Property, plant and equipment	3.1	303,845	304,507
Investments	3.1	17,553	17,012
Financial assets	3.1	2,736	2,733
Deferred tax assets		4,690	13,999
Total non-current assets		**429,148**	**446,715**
Current assets			
Inventories	3.2	165,328	151,114
Trade receivables		184,966	193,308
Current income tax assets		7,438	6,959
Receivables under derivatives		1,710	4,172
Other assets		60,912	64,007
Cash and cash equivalents		154,547	177,194
Assets held for sale		5,491	16,613
Total current assets		**580,392**	**613,367**
Total assets		1,009,540	1,060,082

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of AURELIUS AG at June 30, 2011

EQUITY AND LIABILITIES

in kEUR	Notes	06/30/2011	12/31/2010
Equity			
Subscribed capital		9,600	9,600
Additional paid-in capital		15,810	15,813
Other reserves		-25	3,065
Retained earnings		262,354	285,315
Share of equity attributable to shareholders of AURELIUS AG		287,739	313,793
Non-controlling interests		36,118	40,291
Total equity		**323,857**	**354,084**
Non-current liabilities			
Pension obligations	3.3	34,401	34,260
Provisions	3.3	9,255	11,813
Financial liabilities		155,775	147,982
Liabilities under finance leases		57	103
Other liabilities		24,584	46,366
Deferred tax liabilities		71,065	79,467
Total non-current liabilities		**295,137**	**319,991**
Current liabilities			
Pension obligations	3.3	1,182	873
Provisions	3.3	28,753	34,236
Financial liabilities		56,752	39,950
Liabilities under finance leases		491	992
Trade payables		170,221	171,354
Liabilities under long-term construction projects		7,657	8,512
Current income tax liabilities		1,728	3,064
Liabilities under derivatives		136	136
Liquor tax liabilities		26,195	22,294
Other liabilities		96,713	97,254
Liabilities held for sale		718	7,342
Total current liabilities		**390,546**	**386,007**
Total equity and liabilities		**1,009,540**	**1,060,082**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of AURELIUS AG for the period from January 1 to June 30, 2011

in kEUR	Subscribed capital	Additional paid-in capital	Retained earnings, including distributable profit	Cash flow hedges	Currency changes	Share of equity attributable to shareholders of AURELIUS	Non-controlling interests	Consolidated equity
January 1, 2010	**9,600**	**15,778**	**168,202**	**- / -**	**-107**	**193,473**	**35,812**	**229,285**
Comprehensive income/loss								
Consolidated profit/loss for the period	- / -	- / -	129,618	- / -	- / -	129,618	9,209	138,827
Other profits and losses								
Cash flow hedges, net after taxes	- / -	- / -	- / -	1,126	- / -	1,126	- / -	1,126
Foreign exchange differences	- / -	- / -	- / -	- / -	2,046	2,046	137	2,183
Comprehensive income/loss	**- / -**	**- / -**	**129,618**	**1,126**	**2,046**	**132,790**	**9,346**	**142,136**
Equity transactions with shareholders								
Issuance of stock options	- / -	35	- / -	- / -	- / -	35	- / -	35
Dividend	- / -	- / -	-10,752	- / -	- / -	-10,752	-3,617	-14,369
Changes in equity holdings in subsidiaries that did not lead to a loss of control	- / -	- / -	- / -	- / -	- / -	- / -	-1.250	-1,250
Other changes	- / -	- / -	-1,753	- / -	- / -	-1,753	- / -	-1,753
December 31, 2010	**9,600**	**15,813**	**285,315**	**1,126**	**1,939**	**313,793**	**40,291**	**354,084**

in kEUR	Subscribed capital	Additional paid-in capital	Retained earnings, including distributable profit	Cash flow hedges	Currency changes	Share of equity attributable to shareholders of AURELIUS	Non-controlling interests	Consolidated equity
January 1, 2011	**9,600**	**15,813**	**285,315**	**1,126**	**1,939**	**313,793**	**40,291**	**354,084**
Comprehensive income/loss								
Consolidated profit/loss for the period	- / -	- / -	-10,333	- / -	- / -	-10,333	-462	-10,795
Other profits and losses								
Cash flow hedges, net after taxes	- / -	- / -	- / -	-2,461	- / -	-2,461	- / -	-2,461
Foreign exchange differences	- / -	- / -	- / -	- / -	-629	-629	- / -	-629
Comprehensive income/loss	**- / -**	**- / -**	**-10,333**	**-2,461**	**-629**	**-13,423**	**-462**	**-13,885**
Equity transactions with shareholders								
Issuance of stock options	- / -	-3	- / -	- / -	- / -	-3	- / -	-3
Dividend	- / -	- / -	-12,480	- / -	- / -	-12,480	-734	-13,214
Changes in equity holdings in subsidiaries that did not lead to a loss of control	- / -	- / -	374	- / -	- / -	374	-2,918	-2,544
Other changes	- / -	- / -	-522	- / -	- / -	-522	-59	-580
June 30, 2011	**9,600**	**15,810**	**262,354**	**-1,335**	**1,310**	**287,739**	**36,118**	**323,858**

CONSOLIDATED CASH FLOW STATEMENT

of AURELIUS AG for the period from January 1 to June 30, 2011

in kEUR	01/01/2011 - 06/30/2011	01/01/2010 - 06/30/2010
Earnings before taxes (EBT)	**-5,317**	**30,683**
Profit/loss from discontinued operations	-1,815	-20,627
Reversal of negative goodwill arising on initial consolidation	- / -	-45,132
Amortization and depreciation of intangible assets, property, plant and equipment and financial investments	35,238	20,075
Increase (+)/ decrease (-) in pension provisions and other provisions	-7,592	-2,347
Gain (-)/loss (+) on the sale of property, plant and equipment	-1,766	-255
Gain (-)/loss (+) on the sale of financial investments	192	9,060
Gain (-)/loss (+) from currency translation	2,963	207
Issuance of stock options	-3	22
Gain loss from valuation at equity	-541	2,489
Net interest income/expenses	6,139	3,351
Interest received	325	71
Interest paid	-5,193	-1,839
Dividends received	- / -	28
Income taxes paid	-6,065	-5,737
Gross cash flow	16.565	-9.951
Change in working capital		
Increase (-)/ decrease (+) in inventories	-13,926	-8,653
Increase (-)/ decrease (+) in trade receivables and other receivables	24,138	23,108
Increase (+)/ decrease (-) in trade payables and other liabilities	-31,642	8,297
Increase (+)/ decrease (-) in other balance sheet items	-447	16,139
Cash flow from operating activities (net cash flow)	-5,312	28,940
Purchase price for shares in companies	-2,449	-8,835
Cash acquired with the purchase of shares in companies	934	18,896
Proceeds on disposal of subsidiaries	- / -	8,161
Cash transferred on the sale of shares in companies	378	-1,859
Payments received on the sale of non-current assets	9,036	-6,637
Payments for investments in non-current assets	-33,902	-28,156
Cash flow from investing activities	-26,003	-18,430
Free cash flow	-31,315	10,510
Payments received on the borrowing (+)/ payments made (-) on current financial liabilities	19,525	5,001
Payments received from the borrowing (+)/ payment made (-) on non-current financial liabilities	3,532	-2,806
Payments received from the borrowing of financial liabilities under finance leases	-547	-181
Payments made to non-controlling interests	-734	-1,946
Dividend of AURELIUS AG	-12,480	- / -
Cash flow from financing activities	9,296	68
Other changes caused by currency and consolidation group effects	-628	2.019
Net funds at beginning of the period	177,194	155,595
Change in net funds	-22,019	10,578
Net funds from continuing operations at the end of the period	154,547	168,192

1. GENERAL INFORMATION

1.1 Recognition and measurement methods

The recognition and measurement methods applied in the past financial year were applied without changes also in preparing the present semiannual financial statements. During the financial year, extraordinary expenses are recognized as expenses or prepaid expenses only to the extent that they would also be recognized as such in the annual financial statements. Items resulting from purchase price allocations are based on provisional financial statements. A final measurement is conducted as part of the process of preparing the annual financial statements.

1.2 Unusual events

No significant events occurred that would have affected the company's assets, liabilities, equity, profit or loss or cash flows, and would have been unusual for the business of AURELIUS AG by reason of their nature, extent or frequency.

1.3 Changes of estimates applied in prior financial statements

There have been no changes of estimates applied in prior financial statements.

1.4 Changes to the consolidation group

The Swiss company connectis AG acquired the company Grouptec AG, Solothurn, which is likewise based in Switzerland, in early May. Grouptec AG has been a leading vendor of and specialist in Microsoft Unified Communication & Collaboration solutions for many years. By means of this acquisition, connectis has become one of the most prominent independent UCC specialists in Switzerland. Through its acquisition of Grouptec AG, the independent systems integrator connectis has purchased an expert provider of complex communication solutions, thereby strengthening its core business considerably. The acquisition of Grouptec combines two Unified Communication & Collaboration specialists, both of which were honored in 2010 as UCC Partners of the Year – connectis by Cisco and Grouptec by Microsoft. Together, they will offer communication solutions to suit a wide range of highly complex customer needs, based on the products of the leading technology makers. The fair value measurement to be conducted in connection with the initial consolidation of the two acquisitions has not yet been completed. For that reason, no goodwill or bargain purchase has been recognized.

In June, the Hildesheim-based Blaupunkt Group acquired Kwest GmbH as part of a strategic platform acquisition. This company, based in the town of Schlitz, near Fulda in the German state of Hesse, has developed "embedded system" solutions for customers like Audi, O2 and Loewe for more than ten years. The offering ranges from software to modules and stand-alone products. In the future, the company will operate in the market under the name "Blaupunkt Embedded Systems GmbH."

The fair value measurement to be conducted in connection with the initial consolidation of the two acquisitions has not yet been completed. For that reason, no goodwill or bargain purchase has been recognized in the semiannual financial statements.

Book Club Associates Ltd., Great Britain's largest mail-order bookseller and online bookstore, was sold to the Webb Group, Burton upon Trent, Great Britain, in early March. The Webb Group is Great Britain's leading marketer of home entertainment products such as games, DVDs, music and gifts in the end customer business. After the reorganization of BCA, the company was sold to a strategic investor, which will realize additional synergies and will therefore be able to provide a solid future to BCA and its employees.

2.1 Revenues

in kEUR	01/01-06/30/2011	01/01-06/30/2010
Revenues from sales of goods	542,533	332,341
Revenues from sales of services	88,960	62,497
Revenues from long-term construction contracts	19,220	9,966
Total continuing operations	650,713	404,804
Discontinued operations	660	18,820
Total revenues	651,373	423,624

in kEUR	04/01-06/30/2011	04/01-06/30/2010
Revenues from sales of goods	267,073	188,839
Revenues from sales of services	44,795	33,721
Revenues from long-term construction contracts	11,741	5,150
Total continuing operations	323,609	227,710
Discontinued operations	149	5,761
Total revenues	323,758	233,471

in kEUR	01/01-06/30/2011	01/01-06/30/2010
Germany	181,200	161,515
EU	281,659	183,446
Rest of Europe, not EU	37,865	23,552
Third countries	149,989	36,291
Total continuing operations	650,713	404,804
Discontinued operations	660	18,820
Total revenues	651,373	423,624

in kEUR	04/01-06/30/2011	04/01-06/30/2010
Germany	93,791	96,283
EU	132,840	96,810
Rest of Europe, not EU	21,644	8,824
Third countries	75,334	25,793
Total continuing operations	323,609	227,710
Discontinued operations	149	5,761
Total revenues	323,758	233,471

SELECTED NOTES

2.2 Other operating income

in kEUR	01/01-06/30/2011	01/01-06/30/2010
Income from bargain purchases	- / -	45.132
Income from reversal of provisions	7,027	5,962
Income from the derecognition of liabilities	578	3,147
Income from the charging of costs to third parties	7,439	945
Income from exchange rate changes	2,152	1,086
Income from derivatives	2,150	- / -
Miscellaneous other operating income	18,783	14,838
Total continuing operations	38,129	71,110
Discontinued operations	3,464	1,181
Total other operating income	41,593	72,291

in kEUR	04/01-06/30/2011	04/01-06/30/2010
Income from bargain purchases	- / -	43,188
Income from reversal of provisions	6,021	5,446
Income from the derecognition of liabilities	332	1,888
Income from the charging of costs to third parties	3,875	354
Income from exchange rate changes	1,490	652
Income from derivatives	839	- / -
Miscellaneous other operating income	8,893	8,741
Total continuing operations	21,450	60,269
Discontinued operations	871	563
Total other operating income	22,321	60,832

2.3 Purchased goods and services

in kEUR	01/01-06/30/2011	01/01-06/30/2010
Raw materials and supplies	222.290	95,183
Purchased goods	117,818	79,851
Purchased services	33,670	19,522
Other purchased goods and services	39,327	29,227
Total continuing operations	413,105	223,783
Discontinued operations	262	13,957
Total purchased goods and services	413,367	237,740

in kEUR	04/01-06/30/2011	04/01-06/30/2010
Raw materials and supplies	96,642	53,285
Purchased goods	69,631	46,359
Purchased services	17,359	8,840
Other purchased goods and services	18,774	15,921
Total continuing operations	202,406	124,405
Discontinued operations	31	8,839
Total purchased goods and services	202,437	133,244

2.4 Personnel expenses

in kEUR	01/01-06/30/2011	01/01-06/30/2010
Wages and salaries	116,047	74,576
Social security, pension and other benefit costs	23,571	16,388
Total continuing operations	139,618	90,964
Discontinued operations	314	7,053
Total personnel expenses	139,932	98,017

in kEUR	04/01-06/30/2011	04/01-06/30/2010
Wages and salaries	59,945	40,772
Social security, pension and other benefit costs	12,033	9,372
Total continuing operations	71,978	50,144
Discontinued operations	18	4,301
Total personnel expenses	71,996	54,445

SELECTED NOTES

3.1 Analysis of non-current assets

Intangible assets

in kEUR	Franchises, industrial property rights and similar rights, and licenses to such rights	Goodwill	Other intangible assets	Down payments	Total
Acquisition or production cost					
Balance at January 1, 2010	37,222	1,096	35,515	- / -	73,833
Discontinued operations	1,336	- / -	566	- / -	1,902
Continuing operations	35,886	1,096	34,949	- / -	71,931
Changes in consolidation group	21,459	-4	38,162	- / -	59,617
Acquisitions	3,795	- / -	5,047	- / -	8,842
Disposals	-3,666	- / -	-447	- / -	-4,113
Transfers	-14,239	- / -	14,239	- / -	- / -
Currency effects	682	- / -	1,542	- / -	2,224
Balance at December 31, 2010	43,917	1,092	93,492	- / -	138,501
Continuing operations	43,917	1,092	93,492	- / -	138,501
Changes in consolidation group	21	- / -	-3	- / -	18
Acquisitions	1,029	- / -	1,190	1	2,220
Disposals	-497	-3	-5	- / -	-505
Currency effects	172	- / -	-103	- / -	69
Balance at June 30, 2011	44,642	1,089	94,571	1	140,303
Amortization					
Balance at January 1, 2010	-1,107	-23	-11,465	- / -	-12,595
Discontinued operations	-183	- / -	-113	- / -	-296
Continuing operations	-924	-23	-11,352	- / -	-12,299
Acquisitions	-8,466	- / -	-8,537	- / -	-17,003
Impairments (IAS 36)	-2,585	-207	-2,494	- / -	-5,286
Disposals	2,594	- / -	3,451	- / -	6,045
Transfers	-190	- / -	190	- / -	- / -
Currency effects	-684	- / -	-810	- / -	-1,494
Balance at December 31, 2010	-10,255	-230	-19,552	- / -	-30,037
Continuing operations	-10,255	-230	-19,552	- / -	-30,037
Acquisitions	-3,809	-24	-6,310	- / -	-10,143
Disposals	454		4	- / -	458
Currency effects	-181	- / -	-76	- / -	-257
Balance at June 30, 2011	-13,791	-254	-25,934	- / -	-39,979
Carrying amount at December 31, 2010	33,662	862	73,940	- / -	108,464
Carrying amount at June 30, 2011	30,851	835	68,637	1	100,324

Property, Plant and Equipment

in kEUR	Land, leasehold rights	Buildings, including buildings on non-owned land	Technical equipment, plant and machinery	Other equipment, operational and office equipment	Down payments made and assets under construction	Total
Acquisition or production cost						
Balance at January 1, 2010	15,708	39,160	66,260	45,759	933	167,820
Discontinued operations	2,984	2,558	883	134	- / -	6,559
Continuing operations	12,724	36,602	65,377	45,625	933	161,261
Changes in consolidation group	5,395	17,996	147,428	918	11,769	183,506
Acquisitions	14,189	11,293	11,118	4,466	4,094	45,160
Disposals	-933	-126	-13,731	-4,159	- / -	-18,949
Transfers	- / -	25	1,676	398	-2,099	- / -
Currency effects	4	146	430	642	64	1,286
Balance at December 31, 2010	31,379	65,936	212,298	47,890	14,761	372,264
Continuing operations	31,379	65,936	212,298	47,890	14,761	372,264
Changes in consolidation group	- / -	- / -	1	67	- / -	68
Acquisitions	4,615	7,779	5,825	3,776	9,840	31,835
Disposals	-220	-4,894	-4,044	-3,984	-61	-13,203
Transfers	415	968	1,574	55	-3,009	3
Currency effects	-330	-42	-1,455	-44	-271	-2,142
Balance at June 30, 2011	35,859	69,747	214,199	47,760	21,260	388,825
Depreciation						
Balance at January 1, 2010	-143	-9,454	-19,801	-18,649	-130	-48,177
Discontinued operations	-40	-129	-225	-78	- / -	-472
Continuing operations	-103	-9,325	-19,576	-18,571	-130	-47,705
Acquisitions	- / -	-2,460	-23,797	-7,527	- / -	-33,784
Impairments (IAS 36)	-98	-492	- / -	-16	- / -	-606
Disposals	93	113	10,549	4,001	- / -	14,756
Transfers	- / -	- / -	-8	-12	20	- / -
Currency effects	- / -	-34	-126	-253	-5	-418
Balance at December 31, 2010	-108	-12,198	-32,958	-22,378	-115	-67,757
Continuing operations	-108	-12,198	-32,958	-22,378	-115	-67,757
Acquisitions	- / -	-2,526	-17,648	-3,452	-161	-23,787
Impairments (IAS 36)	- / -	- / -	-1,270	-41	- / -	-1,311
Disposals	- / -	4,312	780	2,580	- / -	7,672
Currency effects	- / -	-19	245	-29	6	203
Balance at June 30, 2011	-108	-10,431	-50,851	-23,320	-270	-84,980
Carrying amount at December 31, 2010	31,271	53,738	179,340	25,512	14,646	304,507
Carrying amount at June 30, 2011	35,751	59,316	163,348	24,440	20,990	303,845

Financial assets

in kEUR Acquisition or production cost	Shares in associated companies	Other financial assets	Summe
Balance at January 1, 2010	18.776	7,186	25,962
Discontinued operations	- / -	- / -	- / -
Continuing operations	18,776	7,186	25,962
Changes in consolidation group	-2,246	400	-1,846
Acquisitions	1,285	1,011	2,296
Disposals	-803	-5,852	-6,655
Transfers	- / -	- / -	- / -
Currency effects	- / -	- / -	- /
Balance at December 31, 2010	17,012	2,745	19,757
Discontinued operations	- / -	- / -	- / -
Continuing operations	17,012	2,745	19,757
Changes in consolidation group	- / -	- / -	- / -
Acquisitions	541	110	651
Disposals	- / -	-107	-107
Transfers	- / -	- / -	- / -
Currency effects	- / -	- / -	- /
Balance at 30, 2011	17,553	2,748	20,301
Writedowns			
Balance at January 1, 2010	- / -	-12	-12
Discontinued operations	- / -	- / -	- / -
Continuing operations	- / -	- / -	- / -
Acquisitions	- / -	- / -	- / -
Impairments (IAS 36)	- / -	- / -	- / -
Disposals	- / -	- / -	- / -
Transfers	- / -	- / -	- / -
Currency effects	- / -	- / -	- / -
Balance at December 31, 2010	- / -	-12	-12
Discontinued operations	- / -	- / -	- / -
Continuing operations	- / -	- / -	- / -
Acquisitions	- / -	- / -	- / -
Impairments (IAS 36)	- / -	- / -	- / -
Disposals	- / -	- / -	- / -
Transfers	- / -	- / -	- / -
Currency effects	- / -	- / -	- / -
Balance at June 30, 2011	- / -	-12	-12
Carrying amount at December 31, 2010	17,012	2,733	19,745
Carrying amount at June 30, 2011	17,553	2,736	20,289

3.2 Inventories

in kEUR	06/30/2011	12/31/2010
Finished goods and trading stock	84,999	76,465
Raw materials and supplies	58,207	52,909
Semi-finished goods and services	22,121	21,736
Down payments received	1	4
Total continuing operations	165,328	151,114
Discontinued operations	- / -	3,580
Total inventories	165,328	154,694

3.3 Provisions

in kEUR	06/30/2011	12/31/2010
Provisions for pensions and similar obligations	35,583	35,133
Provisions for restructuring expenses	13,737	17,565
Personnel provisions	2,145	2,101
Warranty provisions	4,836	5,029
Provisions for onerous contracts	2,510	4,884
Provisions for commissions	2,778	3,951
Other provisions	12,002	12,519
Total continuing operations	73,591	81,182
Discontinued operations	359	1,376
Total provisions	73,950	82,558

SELECTED NOTES

4. Segment revenues, EBITDA and EBIT for the period from January 1 to June 30, 2011

in TEUR	Services & Solutions	Industrial Production	Retail & Consumer Products	Other	AURELIUS Group
Revenues	**106,997**	**373,026**	**170,687**	**3**	**650,713**
Discontinued operations	- / -	- / -	660	- / -	660
EBITDA	**3,832**	**28,935**	**5,205**	**-1,913**	**36,059**
Discontinued operations	- / -	- / -	-1,686	- / -	-1,686
EBIT	**-2,955**	**7,101**	**-1,378**	**-1,947**	**821**
Discontinued operations	- / -	- / -	-1,808	- / -	-1,808

5. CONTINGENT LIABILITIES, FINANCIAL COMMITMENTS AND LITIGATION

As of the reporting date of June 30, 2011, the Berentzen Group was subject to significant contingent liabilities in the amount of EUR 3,296 thousand (December 31, 2010: EUR 2,347 thousand), as was Blaupunkt in the amount of EUR 40 thousand (December 31, 2010: EUR 304 thousand), SECOP in the amount of EUR 279 thousand (December 31, 2010: EUR 1,306 thousand) and Reederei Peter Deilmann in the amount of EUR 1,179 thousand (December 31, 2010: EUR 1,179 thousand).

Furthermore, the GHOTEL Group was subject to contingent liabilities related to rental guarantees in the amount of EUR 321 thousand (December 31, 2010: EUR 368 thousand). In addition, the ISOCHEM Group was subject to contingent liabilities in the amount of 157 thousand (December 31, 2010: EUR 190 thousand), as was CalaChem in the amount of EUR 222 thousand (December 31, 2010: EUR 682 thousand) and SECOP in the amount of EUR 850 thousand (December 31, 2010: EUR 1,193 thousand).

AURELIUS AG has issued a guarantee in favor of the supplier Valorplast SA covering the liabilities of Wellman France SARL up to a maximum amount of EUR 750 thousand. The guarantee is limited in time until September 23, 2011. In view of the positive development of Wellman International, it is considered improbable that this guarantee will be enforced.

Former employees brought a lawsuit before the Orléans Commercial Court against EDS Sales Group SAS, which was once the direct parent company of the French mail order subsidiary La Source S.A. (formerly Quelle La Source S.A.), which was compelled to file for protection against creditors in financial year 2009. The plaintiffs are seeking continued employment or damages from the alleged co-employer by reason of the alleged unlawful termination of their employment contracts. This lawsuit was decided in the first instance in favor of EDS Sales Group SAS on May 25, 2011.

In addition, former employees of the French mail order company La Source S.A., which was once indirectly held by AURELIUS AG, are currently suing AURELIUS AG, among others, for damages before the Orléans Commercial Court. Under this lawsuit, the former employees are alleging management errors on the part of AURELIUS AG in connection with its indirect investment in La Source S.A. The amount in dispute is up to EUR 25 million, minus any amounts to be awarded to the plaintiffs under the lawsuit against EDS Sales Group SAS. In the opinion of AURELIUS AG and its legal advisors, the allegations raised in these lawsuits are either inaccurate or do not constitute grounds for damages. Therefore, AURELIUS AG deems the lawsuits to be completely unfounded and considers it improbable that the company will have to pay any damages as a result of these lawsuits. Accordingly, no provisions were recognized for this purpose as of the reporting date of June 30, 2011, and also not in the annual financial statements for 2010.

Also before the Orléans Commercial Court, two former employees of La Source S.A. sued AURELIUS AG, among others, for damages in their capacity as liquidation auditors of La Source S.A. Under this lawsuit, the plaintiffs likewise alleged management errors on the part of AURELIUS AG in connection with its indirect investment in La Source S.A. The amount in dispute was about EUR 48 million. This lawsuit was withdrawn by the two plaintiffs for formal reasons on June 9, 2011. If the lawsuit would be brought again, AURELIUS deems it to be completely unfounded and considers it improbable that the company will have to pay any damages as a result of these lawsuits, as it did at the time of the annual financial statements for 2010.

AURELIUS AG will continue to monitor these actions closely and recognize an appropriate provision if its assessment of these matters would change.

6. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

At the end of July AURELIUS has signed an agreement with Michael Schmidt, CEO, founder and majority shareholder of HanseYachts AG to take over his 64.67 percent stake in the company. Founded in 1990, HanseYachts AG has been able to establish itself as one of the market-leading serial manufacturers of oceangoing sailboats. Since its IPO in March 2007, the shares of HanseYachts AG are traded in the General Standard segment of the Frankfurt stock exchange. In the financial year 2009/2010 the company generated revenues of EUR 73.2 million.

Due to the global economic crisis, HanseYachts AG reported negative results in the financial years 2008/2009 and 2009/2010. With the economic recovery and through the successful introduction of new and innovative models, HanseYachts AG was able to increase its market share. Substantial improvements of the operating results are to be expected on the basis of the prospective operational support by AURELIUS AG. The current order intake also supports high expectations.

HanseYachts AG's brand portfolio consists of its key brand Hanse and the traditional brands Dehler and Moody. Additionally, the company produces Fjord motorboats, which cover an exclusive niche segment. Given the diversified brand portfolio, HanseYachts AG serves a relatively wide range of customers.

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