

PRESS RELEASE

2 September 2009

Luther defies the crisis

Frankfurt/Cologne, 2 September 2009 - Due to the financial crisis and the recession which it triggered in all areas of the economy, the overall economic environment was extraordinarily difficult for Luther Rechtsanwaltsgesellschaft mbH in the financial year 2008/2009. However, the firm has managed to sustain its turnover at the previous year's high level in Germany and has even managed to increase it in its foreign offices. At the same time, Luther has continued to pursue its expansion plan for the tax practice area, which was set up last year and now - 18 months later - employs more than 30 highly specialised tax experts.

During the financial year 2008/2009, which ended on 30 June 2009, Luther generated an aggregate turnover of €82.5m in its 17 domestic and foreign offices. All the practice areas have significantly contributed to this success. The firm currently employs 271 lawyers and tax advisors in Germany and a further 56 lawyers and other specialised employees abroad. The firm has 60 equity partners.

"In a market which was characterised by a strong decrease in the demand for legal and tax advice in connection with mergers and acquisitions, which plays an important role for law firms of our size, we have to be happy with our results", said Dr. Stefan Kraus, sole Managing Partner, assessing the situation. "That we managed to slightly increase our turnover, despite a noticeable decrease in large-volume transactions in the previous financial year, was only possible because we were able to increase the number of engagements within

the last financial year and to significantly broaden our profile of clients. This is an excellent basis for strong and profitable growth also in the future", said Kraus further.

Economic resurgence

For the financial year 2009/2010, Luther has prepared itself for a difficult economic environment. "We think it is possible that the new financial year will be as difficult as the previous one", said Kraus, "and therefore as a precautionary measure we have prepared ourselves for such a scenario. But, as the advisory market will resurge in the intermediate, we should at the same time try to avoid weakening structure of our law firm which has grown organically. We want to be prepared and strategically well-positioned when the advisory market resurges."

Successful tax practice area

At the beginning of 2008, Luther completed the setting-up phase of its tax practice area. The further development of the practice area was orientated towards the demand for specialist services within tax law. From the beginning of 2008, the practice area has been strengthened by the ongoing arrival of well-rehearsed, strong teams. The last arrival was in Dusseldorf, as a team of 12, specialised in tax finance and capital market matters, moved from Deloitte to Luther. With this latest arrival, 35 tax advisors and tax lawyers now belong to Luther's service line tax law - of which 9 are partners. "Our tax expertise is recognised within the market and accepted extremely well", said a satisfied Kraus. Two years after entering into this new business area, the renowned professional tax trade magazine "International Tax Review" already classifies Luther as one of the leading tax practices. The leading German legal journal "JUVE" has now nominated Luther for "Law Firm of the Year for Tax Law" at the annual JUVE awards.

"The strong growth of our tax practice area is to a large extent due to our involvement in the worldwide, extremely efficient TAXAND network", said Ulrich Siegemund, responsible at Luther for the tax practice area. Luther was chosen by TAXAND as the exclusive member for Germany. The network currently has member firms with over 2,000 tax experts in around 50 countries.

characters with spaces

Brief Profile Luther Rechtsanwaltsgesellschaft mbH

Luther Rechtsanwaltsgesellschaft mbH provides legal and tax advice in all economically relevant fields, operating from its own offices at 13 German locations and in Brussels, Budapest, Istanbul, Shanghai and Singapore. Our clients include medium-sized enterprises and large corporations, as well as the public sector. Luther is the German member of Taxand, a worldwide network of independent tax firms and belongs to the international group of law firms PMLG.

Luther is a law firm with an entrepreneurial approach: our innovative awareness aspires us to provide our clients with customised legal advice that addresses individual needs and delivers the greatest possible economic benefit. Our interdisciplinary teams develop optimised solutions for our clients and implement them efficiently.

Further information is available at: www.luther-lawfirm.com

Press contact

Luther Rechtsanwaltsgesellschaft mbH

Annette von Frankenberg

Anna-Schneider-Steig 22

50678 Cologne

Tel: 0221 9937 18013

E-mail: annette.von.frankenberg@luther-lawfirm.com