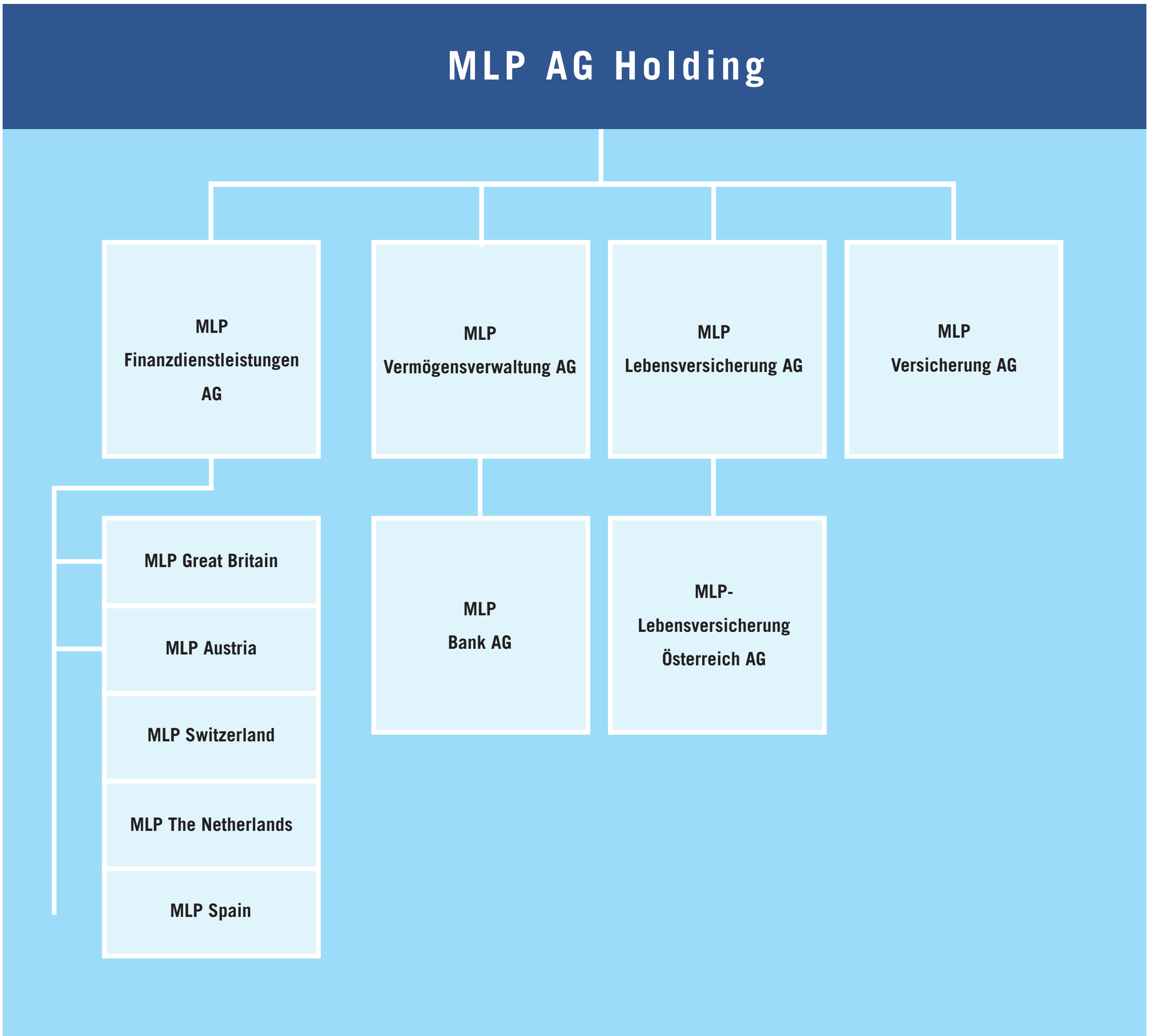
ANNUAL REPORT 2001

MLP PRIVATE FINANCE

MLP'S SUCCESS IS ATTRIBUTABLE IN PARTICULAR TO THE OUTSTANDING QUALITY OF SERVICE PROVIDED BY ITS CONSULTANTS. THEY ATTAIN THEIR HIGH LEVEL OF EXPERTISE AS A RESULT OF AN ADVANCED VOCATIONAL TRAINING PROGRAM THAT IS UNIQUE IN THE FINANCIAL SERVICES SECTOR. THIS PROGRAM HAS TOP PRIORITY AT MLP.

TO UNDERLINE THE SIGNIFICANCE OF THIS APPROACH, OUR 2001 ANNUAL REPORT BEARS THE MOTTO OF

"SUCCESS THROUGH QUALITY"


MLP AG Holding
MLP Finanzdienstleistungen AG
MLP Vermögensverwaltung AG
MLP Lebensversicherung AG
MLP Versicherung AG
MLP Great Britain
MLP Austria
MLP Switzerland
MLP The Netherlands
MLP Spain
MLP Bank AG
MLP-Lebensversicherung Österreich AG

In EUR million	2000	2001	Percentage change
Total revenue	816.4	1049.9	+28.6
Pre-tax profit	114.8	150.7	+31.2
Net profit	61.9	98.9	+59.9
Shareholders' equity	165.9	225.6*	+36.0
Return on equity	37.3 %	43.9 %	
Operating cash-flow	69.9	110.2	+57.7
Employees**	3,101	3,866	+24.7
Clients**	370,500	453,000	+22.3
Branch offices**	220	325	+47.7
DVFA-result per share in EUR	0.68	1.05	+54.4
Dividend per ordinary share in EUR	0.38	0.50	+31.6
Total dividend	30.9	39.6	+28.2

*Adjusted for dividend payments

**As of December 31st

LETTER TO THE SHAREHOLDERS

Dear shareholders,

We are delighted that we can, once again, present a successful chronicle with this annual report. In 2001, MLP continued on smoothly from the exceptionally good performance of 2000, closing the year with excellent results across all business segments. Despite the weak state of the economy the MLP Group was able to increase its revenues by some 30 percent and its net profit by 60 percent in comparison with last year.

In 2001, we have hence succeeded in
- matching our business forecasts
- distancing ourselves impressively from the adverse trend suffered by other market participants in the German financial sector
- implementing our strategy by making it resistant to cyclical trends and generating clear organic growth that is not based upon acquisitions in an extremely difficult overall economic environment.

In 2001, the success of our Private Finance concept was once again the logical outcome of a corporate strategy that is designed for the long-term. Apart from providing consulting, services and products of outstanding quality, we focus on select “high potentials” target groups. We extended the latter during the course of last year by very wealthy private clients who, in our opinion, have a high requirement for consultation services. As such, we view this as a very interesting segment with major growth potential.

The inevitable outcome of our consistently strong growth over many years now was MLP’s listing in the DAX index in July 2001. As a result MLP is now one of the top 30 most important listed German companies – and among these is one of the few with the best shareholder value recorded over the last decade.

This applies notwithstanding the fact that, overall, our share was unable to escape the general downward trend on stock markets during the past financial year. And yet we remain optimistic here. We have created the right environment to enable MLP to continue the exceptionally dynamic, organic growth course – both in terms of revenues and profit. Our share price will of course, also benefit from this in the mid- to long-term.

We look forward to you accompanying us as shareholders in this process.

Best regards

B. Termühlen

Dr. Bernhard Termühlen
Chairman and CEO MLP AG

HIGHLIGHTS

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MLP's strategy p. 14

MLP's success is attributable above all to its targeted and long-term corporate strategy. In 2001, the Group again managed to increase both its total revenues and pre-tax profit by 30 percent. MLP forecasts that the Group will continue to sustain its dynamic growth in the future.

Investor relations p. 19

The MLP share became a constituent of the DAX 30 on 23 July 2001. MLP AG's preference shares were converted into ordinary shares with voting rights in the course of the year.

Employees p. 22

MLP's employees are the most important factor behind its success. They have participated in MLP's corporate development for many years.

Corporate university p. 24

The expertise of its employees is one of MLP's principal assets. At MLP Corporate University, the Company therefore provides advanced vocational training for its Financial Consultants that is unique in Europe. MLP has built a new training centre which opens the capacity for 270,000 training days a year.

BUSINESS SEGMENTS

The consulting and sales business segment p. 28

MLP Finanzdienstleistungen AG (Financial Services) generated sales revenue growth of 30 percent in 2001. The consulting arm of the Group closed the year with excellent results in all segments. The total number of clients rose by 22 percent to 453,000.

International expansion p. 32

MLP's international expansion developed at a gratifying pace in 2001. Following the opening of its first branch office in the United Kingdom in March 2001, MLP now offers financial consultation in four countries outside Germany. Further market entries are planned.

The life assurance business segment p. 36

MLP Lebensversicherung AG continued to expand its market share during the past financial year. Premium income increased by 35 percent to EUR 372 million.

The wealth management business segment p. 38

MLP Vermögensverwaltung AG succeeded in distancing itself clearly from the adverse market trend in the mutual fund sector. The assets under management increased to EUR 2.8 billion.

The banking services business segment p. 42

MLP Bank AG has sustained its strong growth rate in its fourth year of existence. The number of current accounts increased to some 250,000. Since early 2002, the bank has provided an electronic brokerage platform for online securities transactions.

The non-life insurance business segment p. 44

MLP Versicherung AG, the subsidiary responsible for non-life insurance business within the MLP Group, has generated premium income of EUR 23 million on its own account in its first year of operations as an insurance company.

MLP GROUP AND MLP AG MANAGEMENT REPORTS

Overall economic situation p. 48

MLP Group and MLP AG development p. 50

Contrary to the general economic trend, MLP Group has succeeded in significantly increasing all of its key business ratios in 2001. All of the Group's key companies are operating at a profit. Total revenues rose by 30 percent to EUR 1.05 billion. Net profit was up by 60 percent year on year to EUR 98,9 million.

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Calendar of financial events COVER

MAJOR EVENTS IN 2001

18 May:

MLP AG officially opens its new corporate headquarters and the new MLP Corporate University training centre in Wiesloch. More than 300 people work in these facilities which are equipped with the latest technology and have sufficient space to train almost 1,000 Financial Consultants at the same time.

28 May:

At the MLP AG annual general meeting in Mannheim shareholders vote to lift the dividend per share by 30 percent. The dividend payout has increased as a result for the twelfth year in succession.

23 July:

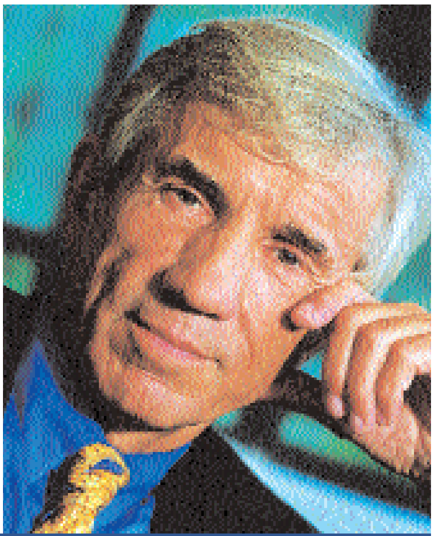
MLP shares became a constituent of the DAX 30 for the first time.

10 September:

MLP AG converts 39.6 million of its non-voting preference shares into ordinary shares with voting rights. As a result, the AG's subscribed capital comprises some 79.2 million ordinary shares.

30 November:

MLP became a constituent of the Morgan Stanley Capital International (MSCI) Germany-Index.



REPORT BY THE SUPERVISORY BOARD

The supervisory board received comprehensive information on a regular basis concerning the business and financial status of MLP AG at four meetings held on April 6, May 28, September 20 and November 22 respectively. They also received written and verbal reports and held individual meetings with the executive board. The supervisory board stood at the unlimited disposal of the executive board during the entire year. Joint consultations were held with the executive board concerning the business policy and other issues at MLP AG as the strategic holding company. The supervisory board granted its approval for measures requiring its agreement subsequent to thorough scrutiny and consultation.

The accounting, the financial statements and the management report as well as the consolidated Group financial statements and the Group management report presented by the executive board were audited by Rölfs WP Partner AG, Wirtschaftsprüfungsgesellschaft and awarded an unqualified audit certificate. The supervisory board examined the MLP AG financial statements and the consolidated Group financial statements, did not raise any objections and thus ratified them accordingly. The appropriation of profit proposed by the executive board was approved and thus adopted.

Mr. Dietmar Hopp and Mr. Christian Strenger were appointed as members of the supervisory board, with effect from May 28, 2001. Ms. Maria Bähr was appointed to the supervisory board as a futher employee representative at the same time.

The supervisory board wishes to thank the members of the executive boards and all employees of MLP AG and the Group companies for their commitment and once again very successful contributions in 2001.

Heidelberg, April 2002

The supervisory board

Manfred Lautenschläger
Chairman

◄◄ Quality of consultation is based on quality of training and education: The MLP Corporate University. Page 26

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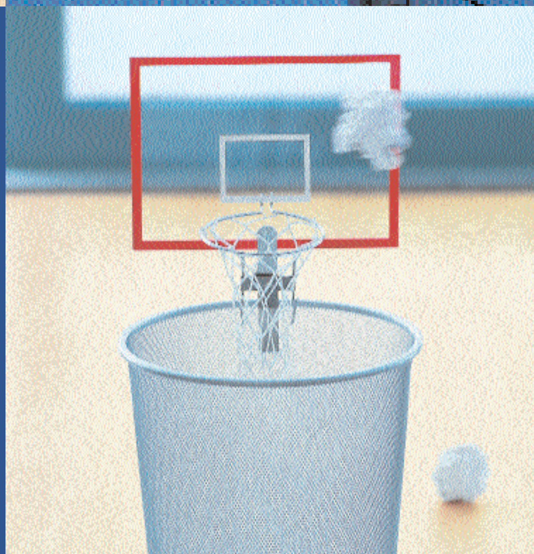
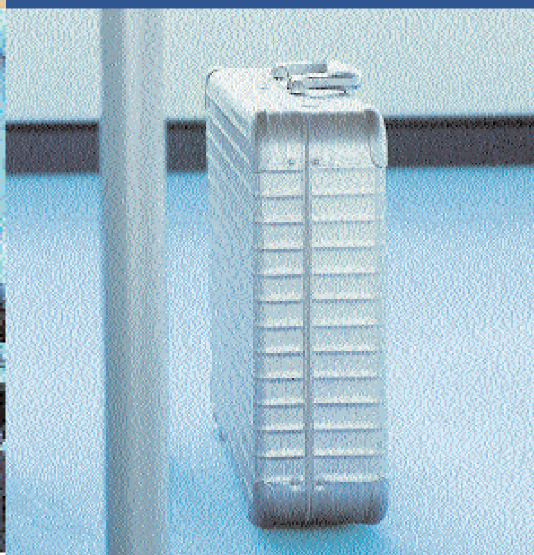
Top Financial Consultants need ►► top qualifications from the outset. Page 62



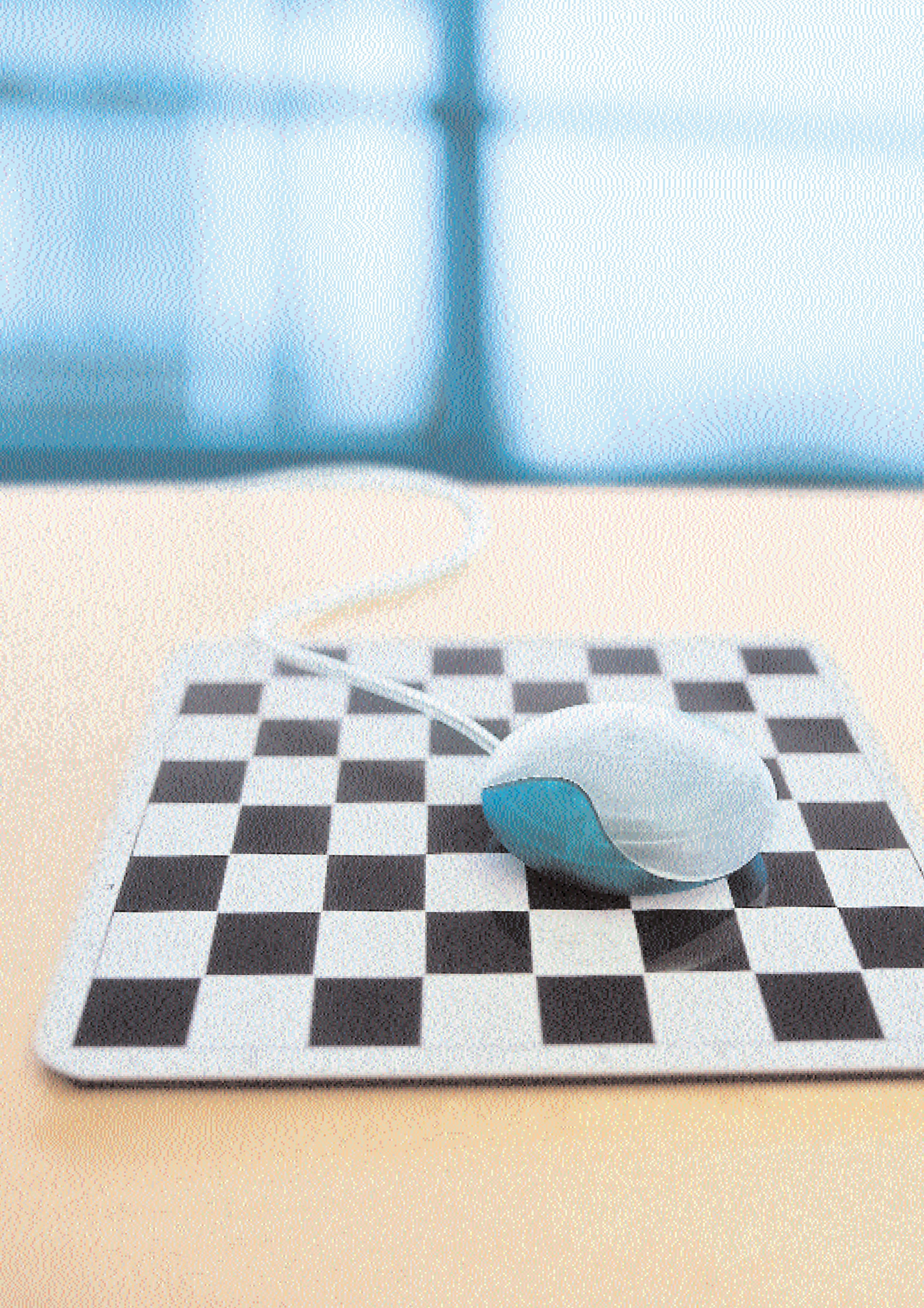
SUCCESS THROUGH QUALITY

◄◄ We never stop learning at MLP. Page 40



◄◄ Emphasis on client service through concentration: MLP Financial Consultants are graduates and advise graduates. Page 46

◄◄ International expansion: organic growth instead of acquisitions. Page 34



SINGLE PRODUCTS DO NOT MAKE A STRATEGY: WHY MLP THINKS IN CONCEPTS

We create an individual, tailor-made financial concept for each client.

No one client is like any other. That much is, of course, obvious. But what we conclude from this is anything but self-evident. Because our Financial Consultants do not recommend off-the-peg products. Instead, they draw up an individual concept for each client, in which all the measures are combined in a sensible timeframe that is tailor-made to fit the client's needs and objectives. This means that gaps and overlaps between different products can be avoided. And because, in ten years' time, our clients will not be the same people they are today, MLP designs concepts that can be adapted to suit changes in a client's personal situation at any time. Because times change. And a modern, flexible long-term personal plan also requires a flexible financial strategy.

Dynamic growth

MLP continues to grow like hardly any other company of a similar size. Once again, MLP reports an organic growth rate of some 30 percent per annum. The foundations for this high dynamic increase are the clearly defined corporate objective and the corresponding strategy.

453,000 clients

In 2001, MLP provided consultation to some 453,000 discerning graduates and sophisticated private clients. This makes the company the market leader in Private Finance. It is MLP's objective to further expand its position as market leader. The already successful corporate strategy will be implemented with even more vigour in order to achieve this goal. The focus is placed upon:

- concentrating on the needs of exclusive client groups
- optimum proximity to the client
- the best consulting quality.

This strategy is implemented across all business segments and makes MLP unique in the market regarding its comprehensive business model.

Long-term advice

MLP provides support and consultation services predominantly to engineers, lawyers, doctors, dentists and economists. MLP focuses on extremely discerning client groups who have high level expectations of an integrated financial management concept. MLP secures most of its clients at the start of their careers and then accompanies them as a competent Consultant for Private Finance issues throughout their various stages of life. The requirement for a comprehensive and intelligent financial management concept becomes increasingly important for clients as their careers develop. While young MLP clients initially have less free funds at their disposal, they grow into the upper private client segment in the mid- to long-term as their careers progress.

The Financial Consultants secure the majority of MLP clients while these are leaving college or university. Last year, some 45 percent of all university graduates in the disciplines relevant to MLP in Germany became MLP clients. This in turn corresponds to a 55 percent share of the new clients secured in 2001.

Proximity to the client

MLP believes strongly in close customer relationships. This involves regional and expert support for clients that is adapted to suit their current stage in life.

Regional client proximity: MLP is represented at all university locations across the whole of Germany. The branch office network is also undergoing a continuous process of expansion on a European basis. During the course of last year a total of 105 branch offices were opened, which equates to an average of two new offices every week. As a result MLP operated from a total of 325 branch offices in Germany, Austria, Switzerland, the Netherlands and Great Britain at the end of 2001 .

Expert client proximity: MLP Financial Consultants each focus on one specific occupational group for their consultation services. The consultants attend advanced vocational training courses at the MLP Corporate University (MLP CU) which are designed for the issues specific to the various occupational groups. As a result they have a better appreciation of their clients' respective situations and can focus completely on their individual specific occupational requirements.

Client proximity to suit the clients' current stage in life: In 2001 MLP adapted the Consultant and branch office network much more effectively to address the clients' current stage in life. In this way MLP can ensure that the Financial Consultants not only focus upon a specific occupational group, but also upon clients who are in similar circumstances. The result is that MLP strengthens its long-term and customer-oriented consulting approach.

Wealthy private clients

MLP then automatically grows increasingly into the group of extremely wealthy private clients who place extraordinary requirements upon an intelligent financial management concept. The respective competence and skills for this field have been bundled deliberately. Branch offices have been opened accordingly at nine strategically important locations and MLP shall pay particular attention to these clients' specific requirements. This segment offers extremely high growth potential for the company.

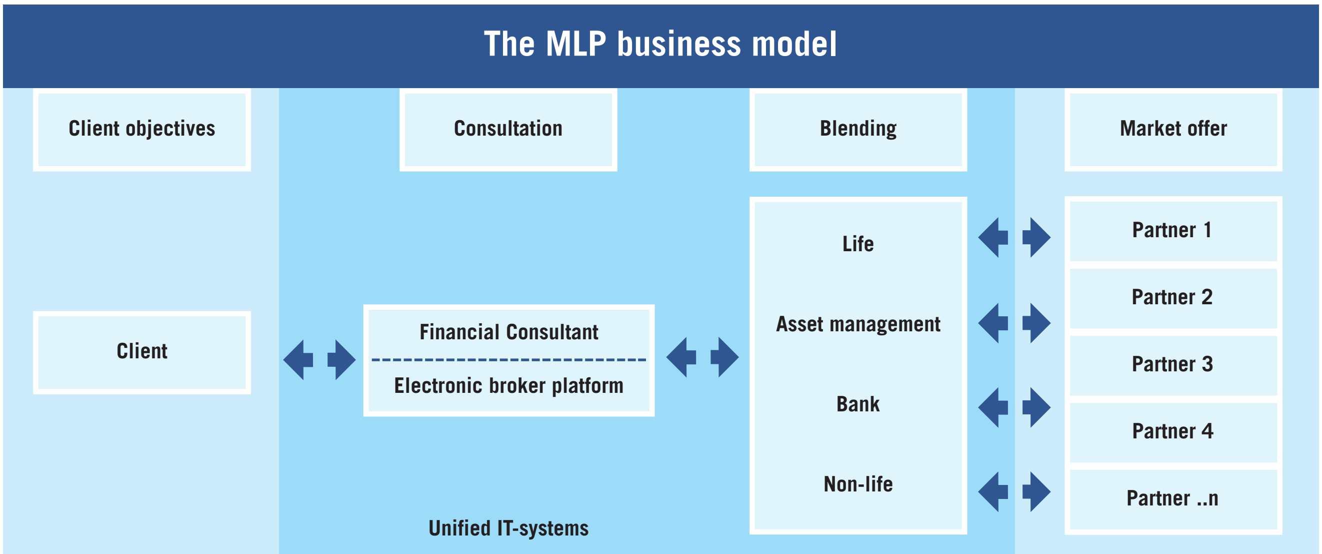
MLP market segmentation in Germany: Example Berlin

<table>
<tr><th></th><th>Economists
Engineers</th><th>Lawyers</th><th>Dentists</th><th>Doctors</th><th>Companies</th></tr>
<tr><td>Wealthy private clients (80 clients per Financial Consultant)</td><td></td><td colspan="3">Berlin I</td><td rowspan="4">Berlin VII, XIII</td></tr>
<tr><td>> 45 years old, wealth planning (120 clients per f.c.)</td><td>Berlin X</td><td rowspan="2">Berlin III</td><td>Berlin II</td><td>Berlin XV</td></tr>
<tr><td>30 – 44 year old, career, family and investments (150 clients f.c.)</td><td>Berlin IV, XVI, XVII</td><td colspan="2">Berlin VI, XXIV</td></tr>
<tr><td>< 30 year old, job starters (200 clients per f.c.)</td><td>Berlin V, VII, VIII, IX, XII, XIV, XIX, XX, XXIII</td><td>Berlin XVII</td><td colspan="2">Berlin XI, XVIII</td></tr>
</table>

Quality of consultation The core of the MLP corporate culture is the claim of providing the client with the best possible quality across all areas. The same principle has applied for over 30 years: those who provide consultation for MLP are highly qualified and work, naturally, on an exclusive full-time basis for the company. Some 96 percent of the Financial Consultants are university graduates and attend advanced vocational training courses to be trained carefully and specifically for their respective client groups at the MLP CU (cf. Corporate University – Guarantee for a high standard of consultation on page 24 of the annual report). In order to guarantee the highest standards of consulting quality the MLP Financial Consultants are not responsible for more than 200 clients.

Quality of solutions: In particular MLP develops very diverse, integrated financial solutions from the banking, investment and insurance sectors which are highly diversified and designed for a long-term, calculable return for its clients, taking their specific individual circumstances into account.

Clients benefit from MLP's excellent and unique attributes. They are based, among other things, on the specific know-how in the MLP subsidiaries, such as MLP Lebensversicherung AG, MLP Vermögensverwaltung AG, MLP Bank AG and MLP Versicherung AG. These serve the group as electronic brokerage



platforms and enable MLP to develop distinct, tailor-made solutions to suit the needs of each individual client. As a result MLP can offer its clients – depending upon the outcome of the consultation – solutions by renowned financial partners which have been designed specifically for MLP clients. Should standard products be inappropriate in their raw state, then MLP is the only company that can merge modules from third-party products to form – and hence enhance – new individual financial solutions for the client.

MLP bestpartner concept®

MLP has adopted this principle in the fields of provisional cover and wealth management as well as risk management. As such, the MLP bestpartner concept®, is an example of a unique and innovative solution concept that consistently pursues the fundamental principle of diversification and takes the clients' individual investment horizons into account. MLP divides the clients' savings instalments into, for example, a life or pension insurance policy which involves several high performance partner companies. This saves costs, increases the probability of an above-average performance and the clients benefit from being able to spread their investment risk with relatively low instalments, which is not possible with the standard products available on the market. MLP also has a major competitive advantage as a result of the MLP bestpartner concept®, with regard to the new so-called "Riester solutions". MLP is the only supplier of the government-supported unit-linked pension insurance scheme, that not only provides a pension subject to the capital preservation guarantee but also guarantees the highest performance of the savings invested during the savings period. (please refer to the 2001 annual report, Life assuarance division, p. 36). As is normal practice at MLP, these guarantees are acquired from third-parties and are not a part of MLP's balance sheet.

Unified IT-systems

MLP generates additional competitive advantages with its unified information technology structure across the electronic brokerage platforms in all business segments. This is where client policy administration and customer information are managed and also where the bundled contractual modules are then distributed to external partner companies.

The intelligent, internally designed MLP consulting software dovetails all financial services business segments with one another providing the MLP Financial Consultant the greatest possible flexibility while compiling individual financial solutions.

The MLP Financepilot® is unique: Clients only need to log-in to the system once to make payment transactions for example, or check their bank accounts, update the performance of their investments, or download policies or even the status of a current insurance claim. These are just some of the many details incorporated into the MLP Financepilot® that together open up a new dimension in online banking and online finance. An overview provides the client with all current information from his asset, pension and provisional cover.

Outlook

MLP has moved on to become the leading Private Finance Group for graduates and discerning private clients across Europe as a result of the way it has consistently implemented its corporate strategy. The company can only be compared to other market participants by viewing single business fields, if at all. There is no company that can be compared to the MLP business model in its entirety.

The sound long-term growth potential is largely a result of customer relationships that were forged in the past with long-term perspectives. The current average MLP client age is 34. This means that many have only recently begun their careers and have by no means yet reached the pinnacle of their financial potential. All this will change in the years to come, a fact from which MLP will also benefit.

Thanks to the high standard of consultation quality MLP has also succeeded in securing more clients from the relevant MLP target groups via referrals from satisfied clients. The share of new clients who came to MLP by way of recommendation in 2001 is already 45 percent. These clients are established professionally and have considerable financial means at their disposal.

The high market penetration, the growing share of referral clients and the established infrastructure at universities will also make a regular contribution to significantly increasing the number of new clients each year.

Percentage change	2000	2001	Percentage change
DVFA result per share in EUR	0.68	1.05	+54.4
Dividends per ordinary share in EUR	0.38	0.50	+31.6
Dividends per preference share in EUR	0.40	–.–*	
Total dividends in EUR million	30.9	39.6	+28.2
Number of ordinary shares (million)	39.6	79.2*	+100.0
Number of preference shares (million)	39.6	–.–*	
Market capitalisation in EUR billion	9.2	6.5	-29.6

*Preference shares were converted into ordinary shares.

DAX listing underlines corporate success

The most important event for the MLP stock in 2001 was its acceptance into the DAX index. The DAX index comprises the most important 30 listed German companies, the so-called blue chips.

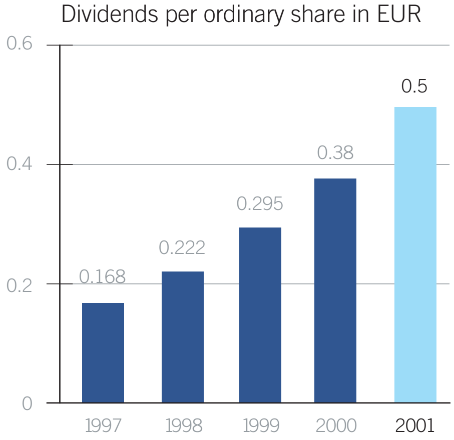
At the end of June 2001 the Deutsche Börse AG announced the acceptance of the MLP shares into the index. On 23 July they were then listed in the central index for the first time replacing the Dresdner Bank shares. The MLP share price performance had previously contributed to, among others, the MDAX, the index for the top 70 German second-line shares. The listing came as no surprise to many financial experts as MLP had long since fulfilled the requirements for a DAX-listing with both an accordingly high market cap and trading volume.

In November 2001, the MLP share was also included in the Morgan Stanley Capital International (MSCI) Germany-Index. This reflects both MLP's corporate success and its international acceptance.

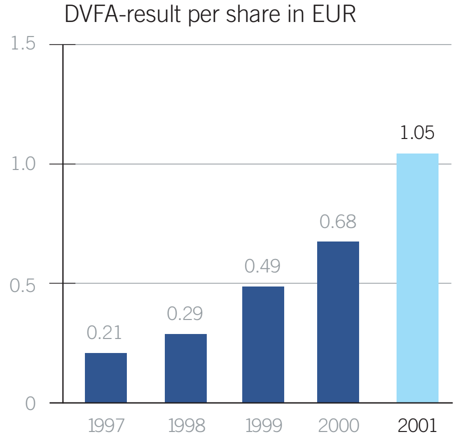
Unification of share classes

On September 10, 2001 MLP implemented a resolution passed at the extraordinary shareholders' meeting on November 17, 2000 and converted all non-voting MLP AG preferred shares into common voting shares. As a result the number of common shares was doubled to 79.2 million.

Dividends per ordinary share in EUR



DVFA-result per share in EUR



Unlike in the previous year the MLP share price could not permanently detach itself from the poor overall situation on the financial markets. While the MLP share price remained stable against the negative market trend until the middle of the year, the shares lost considerably in value between July and September. It recovered thereafter, but overall the MLP shares still decreased in value by 30 percent over the entire year.

Despite the price losses MLP is still one of the European stocks with the highest performance seen over the mid- to long-term. Since the IPO in 1988 the shares have recorded a performance of 15.639 percent (as at the end of 2001).

Trading volume

The fact that institutional investors in particular place a far greater focus upon the DAX values than upon second-line stocks has also been confirmed in MLP's case. The trading volumes of MLP shares on the markets have undergone a significant increase since the DAX listing. As a result MLP reached 24th position in terms of trading volume for the entire year among all shares listed in the DAX 100 index. One year previously MLP reached 27th position. Some 71.7 (31.0) million MLP shares changed hands during the course of the year on the Xetra and Frankfurt trading floor alone. This corresponds to an increase of 131 percent in comparison with last year.

The clear increase in trading volumes is also a reflection of the fact that MLP succeeded in further expanding the shareholder structure in 2001. This can, among other things, also be attributed to the intense Investor Relations activities undertaken during the course of the entire year. For example, in addition to the DVFA conference, MLP also informed financial analysts of the current strategy and corporate situation at two events. MLP found new investors and widened the shareholder structure as a result of numerous roadshows held in both the USA and Europe. Several international investment companies have also now started a coverage on MLP. The majority of financial analysts evaluated MLP very favourably during the course of the year. In the analyst reports available to MLP in March 2002, 23 reports advised the purchase of MLP shares, 11 recommended that the stock be held and only 2 advised investors to sell.

Dividend increase

Subject to approval by the general meeting of shareholders MLP also intends to increase the dividends for 2001, the 13th year in succession. The dividend payments should climb by 32 percent from EUR 0.38 to EUR 0.50 per ordinary share. A total of EUR 39.6 million should thus be paid out as dividends to the shareholders for 2001. The DVFA-result per share increased by 54 percent from EUR 0.68 to EUR 1.05.

MLP share in 2001

Key to success

A company's most important resource is its employees. This frequently repeated insight is especially true of a service-oriented company like MLP, where the advisory expertise of its Financial Consultants and the know-how of its back-office staff are absolute key factors in entrepreneurial success.

Employee participation

This is why, for years now, management at MLP has involved employees in the organisation's business success to a much greater degree than comparable companies. For example, between 1986 and 1995 MLP employees were already awarded MLP AG shares. And from 1996 to 2001 they received a total of 2.6 million shares in MLP Lebensversicherung AG as part of an employee incentive program. The result was that by the end of 2001, they held a total stake in the company of 18 percent.

On March 14 2002, the CEO (and chairman) of MLP's executive board, Dr. Bernhard Termühlen, and Manfred Lautenschläger, chairman of the supervisory board, made the offer to all minority shareholders at MLP Lebensversicherung AG of exchanging their shares for listed common shares in MLP AG from their own private holdings. Based on the share price valid at the time of the offer, the proposal equated to a market volume of approximately EUR 300 million. The two majority shareholders at MLP viewed this offer as an expression of gratitude to the employees for their commitment. This puts an end to further delays in the implementation of the employee 1996 – 2001 incentive program resulting from an annulment action brought against the extraordinary general meeting (EGM) resolution relating to the capital increase. (cf. page 55)

If all the shareholders approached accept the exchange offer, then a total of nine percent of all MLP Holding AG shares will be owned by employees. This is a level of participation hitherto unheard of for a DAX company.

New jobs

MLP also distinguished itself from the other DAX companies in 2001 as a result of numerous new appointments. Unlike many other financial groups, MLP increased the number of employees more strongly than ever before. At the end of the year MLP employed a total of 3,866 back-office staff and Financial Consultants, an increase of 25 percent over the same period in 2000.

The main group here is accounted for by the Financial Consultants: They rose in number by 545 from 2,021 to 2,566. MLP recruited the new consultants from a total of more than 6,000 applicants, which is further evidence of MLP's appeal as an employer.

Yet, the demands made on new MLP employees are high. Some 96 percent of the consultants are university graduates, 60 percent of them have degrees in economics and business administration disciplines. Many Financial Consultants have obtained relevant experience in banks prior to joining MLP.

At 34, the average age of the consultants is low for the sector, and those joining the company are generally three years younger still.

Back office

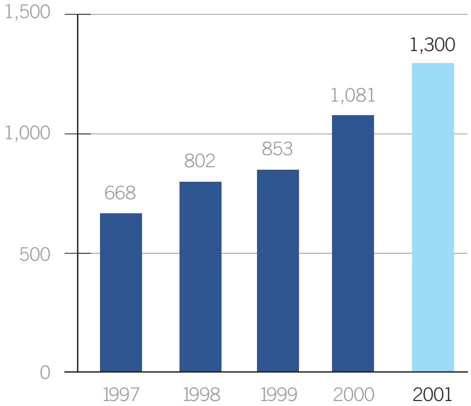
At the end of 2001, the MLP group employed 1,300 back-office staff, 219 more than one year previously. This places MLP amongst the major private-sector employers in the Rhein-Neckar region. MLP Finanzdienstleistungen AG recorded the highest number of recruits with 144 new employees. And it is this business segment for which MLP headquarters will require the highest number of qualified employees in the immediate future.

MLP is also one of the most important vocational training companies in the region. Some 117 apprentices including 93 vocational academy students are currently working with MLP as their training company.

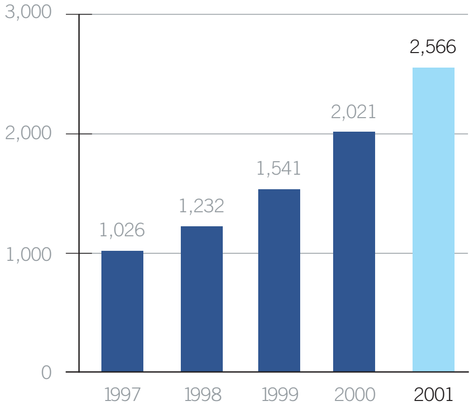
At the end of 2001, there were 523 employees working in the MLP branch back-offices, 108 more than twelve months previously.

In next few years MLP plans to continue the steady increase in the number of employees. In 2002 alone, a total of 1,000 new employees are to be recruited. The number of Financial Consultants should rise significantly above 3,000. The ongoing dynamic company development provides all consultants and permanent staff with a high level of security and excellent future prospects

Rise in the number of MLP back office employees



Rise in the number of MLP Financial Consultants



Guarantee for high quality advice

The MLP Corporate University (MLP CU) is responsible for providing the MLP Financial Consultants with vocational and advanced vocational training. Corporate Universities are an established business practice in the USA. They supply companies with the facilities to provide their employees with vocational and advanced vocational training that is not only of a high standard, but is also relevant to business practice. Teaching and learning programs which are tailored precisely to meet the requirements of the respective company, its strategy and objectives are jointly developed with universities. A practice that has long been commonplace in the USA is only now gradually becoming accepted in Germany. MLP is one of the pioneers in this field.

Two years of vocational training

The reason for setting up a Corporate University is, quite simply, quality. MLP has advanced to the position of Europe’s leading provider in the Private Finance sector for graduates and discerning private clients by offering first-class consulting services. Almost every single MLP Financial Consultant has a university degree, and in turn over 60 percent have graduated in economics-related disciplines. Yet, it takes more than this to be able to provide clients with meaningful consulting services. MLP has therefore long since committed to a consistent internal-company concept to facilitate vocational and advanced vocational training. These courses began two years ago at the MLP Corporate University.

Before an MLP Financial Consultant may advise a client on his own, he attends a basic course of study at the MLP CU, irrespective of his previous activities and previously acquired knowledge. Classic subjects such as pension savings, wealth management and insurance solutions form part of the curriculum as does client consultation. The curriculum includes areas which apply equally for all Consultants as well as special courses in which the consultants are qualified for their work with specific occupational groups. This is based on the awareness that a medical practitioner, for example, requires different consulting services than a lawyer.

Financial Consultant

The lessons themselves are organised into subject blocks, or courses, each with admission and final tests. The following applies: Only those who have passed admission tests prior to registering for the individual courses are permitted to take part, and only those who pass the respective final tests may provide client consultations for the issues covered in the course. To facilitate preparation for these courses MLP provides an extensive compendium and a database, the contents of which can be accessed independently by the Financial Consultants from any location. In the first three months of joining the company, the newcomer attends a training course at the MLP CU that comprises some 300 teaching units. The examination qualifying the candidate as a Financial Consultant marks the completion of the first training period.

In the second phase, which lasts approximately until the end of the second year with the company, the MLP Financial Consultant has to attend 400 additional teaching units in order to study the basic subjects in greater depth and to find out more about loan management and business start-ups.

After two years he takes the examination to become a “Senior MLP Financial Consultant”. If the Consultant passes this exam he is qualified to advise customers independently for all the services provided by MLP.

Yet learning does not stop there: In addition to voluntary training courses, all MLP Financial Consultants participate regularly in compulsory CU events. The main purpose of these events is to keep their knowledge up-to-date. In this way MLP guarantees that the Financial Consultants’ high standard of vocational training is sustained and remains valid.

Academic Advisory Commitee

The MLP CU Academic Advisory Committee also contributes. Its responsibilities include the regular monitoring of the training curriculum quality, the annual evaluation and adjustments of the examination contents as well as to support MLP with the conception of respective country-specific training contents. Accordingly, the Committee comprises distinguished university professors, whose specialist fields correlate to all major MLP subjects and who together also represent almost all of the countries in which MLP provides consultation. The individual members of the Committee are: :
Prof. Dr. Dieter Bartmann, University of Regensburg, Institute of Banking Computing
Prof. Dr. Matthias Haller, University of St. Gallen, Institute of Insurance
Prof. Dr. Dr. mult.h.c. Rupert Huth, Member of the Board of MLP CU
Prof. Dr. Otto Loistl, University of Vienna, Institute of Financing and Financial Markets
Prof. Dr. Marco de Marco, University of Milan, Institute of Economics
Prof. Dr. Juan Palacios, University of Madrid, Institute of Business Studies
Prof. Dr. Christian Wolff, University of Maastricht, Institute of Public Finance

The lecturers and trainers at the MLP CU, on the other hand, are largely from industry: They are generally experienced and successful MLP Financial Consultants and branch office managers who have prepared for this teaching task in intensive seminars.

Superb qualification

Academic advisors and lecturers complement each other superbly. They guarantee that academic theory is geared to business practice. As a result, not only is theoretical knowledge conveyed, but also the know-how required to communicate what has been learnt to the client in a way he can understand. The success of this training method is self-evident: Experts consider the MLP Financial Consultants’ qualifications among the industry’s best worldwide. And to make sure this doesn’t change, MLP built its own training and seminar building adjacent to the new group headquarters in Wiesloch in 2001. Here up to 1,000 employees can be provided with vocational or advanced vocational training simultaneously.

A UNIVERSITY DEGREE IS THE BEST PREREQUISITE FOR STUDYING: THE MLP CORPORATE UNIVERSITY

They have already completed their university studies and often have previous work experience in a bank or management consulting company. And yet it seems that the students at the MLP Corporate University just can't get enough of lecture halls.

To convey high-level expertise to our consultants on a continual basis.

Perhaps it's because the opportunity to obtain additional qualifications in an intensive, practical training course is appreciated particularly by those who don't find learning difficult. And their dedication is rewarded: at the end of a two-year course – and after passing an examination – they are awarded the "Senior MLP Financial Consultant (CU)" certificate.

In the USA, the idea of such in-company academic training schemes is nothing out of the ordinary – but in Germany MLP is a pioneer in this field. Establishing the Corporate University was a major step here. Acting as a magnet to attract the best. To convey high-level expertise to our consultants on a continual basis. And to provide a strong foundation for what the name of MLP stands for: exceptionally high quality consulting.

MLP Finanzdienstleistungen AG in EUR million	2000	2001	Percentage change
Sales revenue	291.5	378.4	+29.8
Result prior to profit transfer	87.1	116.6	+33.8
New business:			
Life assurance business (total premiums) in EUR billion	4.8	6.0	+26.6
Private health insurance annual premiums	62	71	+14.5
Payments into mutual funds	880	995	+13.1
Loans	920	1,120	+21.7

MLP Finanzdienstleistungen AG

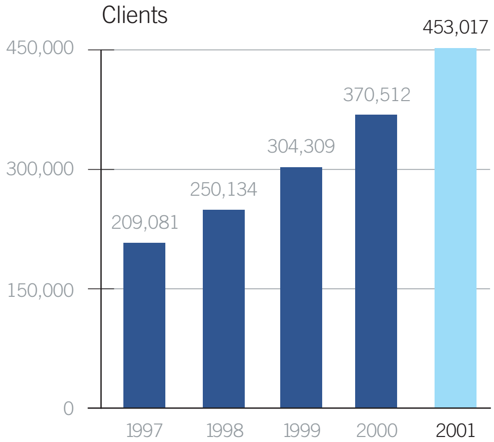
MLP Finanzdienstleistungen AG is the consulting company within the MLP Group and the leading broker in Europe in the Private Finance sector for graduates and discerning private clients. The Financial Consultants at MLP Finanzdienstleistungen AG work together with their clients to develop answers to their economic questions and concepts to help them achieve their financial goals. They take advantage of MLP Lebensversicherung AG, MLP Vermögensverwaltung AG, MLP Bank AG and MLP Versicherung AG as electronic broker platforms, via which specific MLP solutions can be developed using modules supplied by independent maket participants.

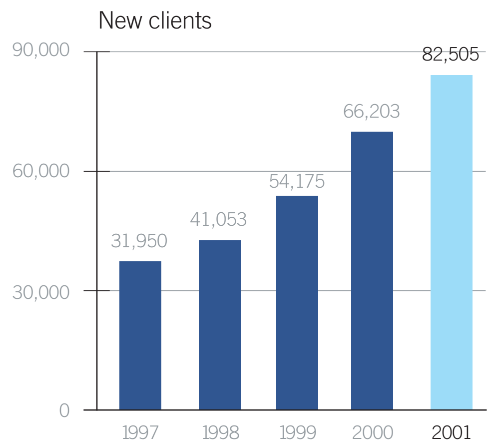
The company closed the year 2001 with good results in all sections, clearly increasing both sales and profit. More new branch offices were opened, more Financial Consultants came aboard and the company also trained a higher number of Financial Consultants and secured more new clients than ever before. As a result MLP Finanzdienstleistungen AG laid important foundations for the further dynamic growth of the entire MLP Group.

During the last business year a particular focus was placed by MLP Finanzdienstleistungen AG upon further improving client proximity. With this objective in mind, the company created and restructured a much more closely woven branch office network (cf. to MLP Strategy, page 14). The number of branch offices was increased by almost 50 percent from 220 to 325 during the course of 2001.

Further segmentation

The company also continued to segment the business further. While Financial Consultants and branch offices were, prior to 2000, specialised to support certain occupational groups, the focus now is much more upon age and stages in a client's life. This effectively means that each individual Financial Consultant will advise clients who belong to a certain occupational group and are also at a certain stage in their lives. And the branch office at which the respective Financial Consultant is based specialises only on clients from one segment. For example, young Financial Consultants advise graduates and clients who are just starting out in their careers. And clients who can already look back over several years of professional experience are supported by Financial Consultants who are in the same situation themselves. As a result of this important organisational direction the MLP Financial Consultants are even





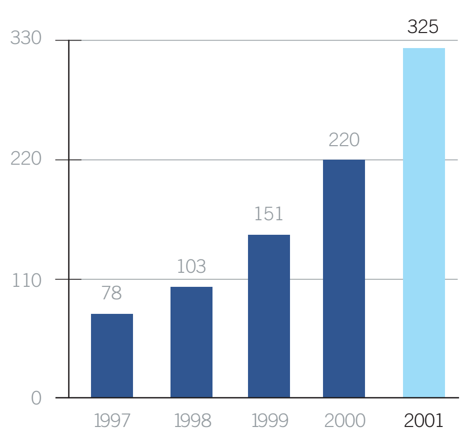
closer to their clients and can address their individual issues much more precisely. This unique concept is a further significant improvement in the quality of the consultation services provided. The intensity of the consultation is and remains the same for all MLP clients in all branch offices.
In overall terms MLP has focussed the branch offices and Financial Consultants and categorised them accordingly across three of life's phases or situations (cf. MLP Strategy, page 15).

The new orientation affecting all 2,500 Financial Consultants and over 300 branch offices began in February 2001 and was completed – thanks to the enormous efforts of all involved – on schedule by the year-end.

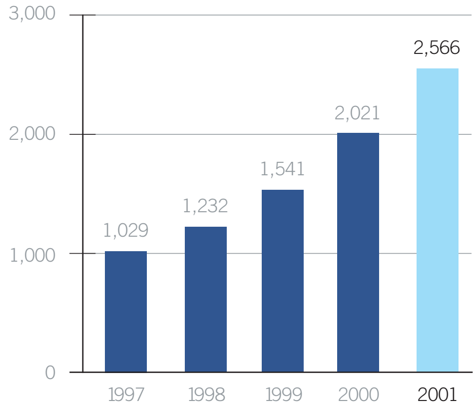
In this context MLP also opened branch offices at nine important strategic locations for exceptionally wealthy private clients. Over the next few years, MLP will continue to expand the branch office network for these clients in order to benefit from the high growth potential in this segment.

A major reason for MLP's excellent position in the market is also a new, company-developed intelligent consultation software program, which dovetails all financial services sectors and which the MLP Financial Consultants have now been using since February 2001. It should be emphasised that this software program can be operated flexibly taking the individual client needs and the respective consultation situation into account. Concurrent with the development of the German version this consulting software program was translated into the local languages and adapted to the specific needs of the MLP branch offices abroad.

Branch offices



Financial Consultants



2,566 Financial Consultants

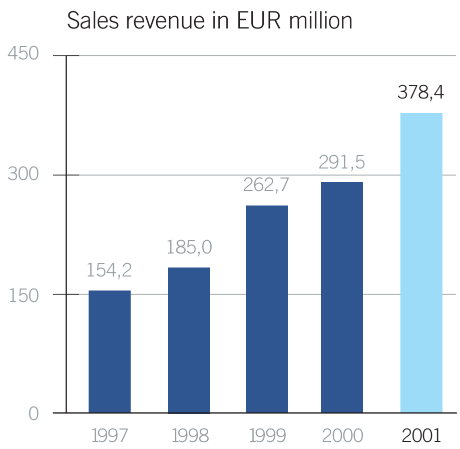
The number of new branch offices and Financial Consultants is always a good indicator for future growth at MLP. With the growing number of Financial Consultants MLP can penetrate the markets even further and at the same time increase the quality and intensity of the client support.
By the end of 2001, 2,566 Financial Financial Consultants worked for MLP, 545 more than twelve months previously. MLP's recruiting benefited from the poor situation which many banking institutions found themselves in. Numerous young, well-trained and committed banking advisors applied to MLP looking for a new challenge.

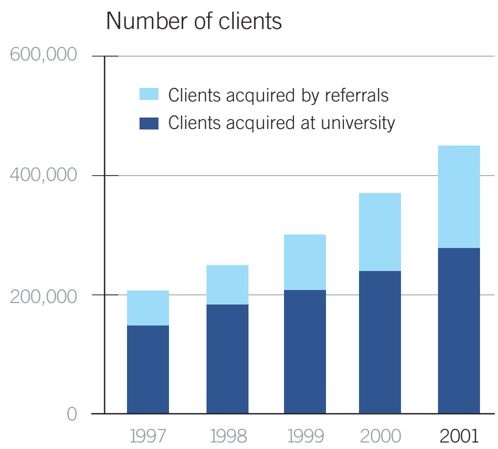
During the course of 2001, MLP also succeeded in further improving the target group penetration. All in all, MLP secured a total of 82,500 (66,200) new clients, increasing the number of new clients by 22 percent as a result. Approximately 55 percent of these were recent graduates. Overall some 45 percent, in comparison with 40 percent in 2000, of German graduates in the relevant target groups became MLP clients. The share of new clients already with careers and predominantly referred by satisfied MLP clients lay at 45 percent. The client base increased by 22 percent to 453,000 as a result of the high number of new clients.

Increased sales

The positive business development meant that MLP Finanzdienstleistungen AG again succeeded in increasing its sales by a two-figure percentage. All in all the company reported a 30 percent revenue increase over the previous year with EUR 378.4 (291.5) million.

MLP Finanzdienstleistungen AG has increased its results prior to profit transfer considerably. This improved by 34 percent to EUR 116.6 (87.1) million. As such the company contributed 77.3 percent of the pre-tax profit for the entire group.
New business at MLP Finanzdienstleistungen AG developed well as forecast: Total contributions in the





term, occupational disability, pension and life insurance fields increased by 27 percent to EUR 6.0 (4.8) billion. In the private health insurance sector new business at MLP rose by 15 percent measured against the annual premiums to EUR 71 (62) million. As a result MLP Finanzdienstleistungen AG succeeded in further expanding its position as leading broker for life assurance and comprehensive private health cover in Germany.

Mortgages

In the new loans business sector MLP Finanzdienstleistungen AG also reached a leading market position, both as a broker and also in comparison with the leading banks. With a volume of EUR 1,120 (920) million the MLP Financial Consultants arranged 22 percent more mortgage and practice loans in 2001 than in the year before. In contradiction to this, the mortgage lending business only saw moderate developments across the rest of the industry. The increase in new business at MLP underlines the fact that the high credit worthiness and financial strength of MLP clients are relatively independent of economic trends.

New business in the financial investment segment also developed contrary to the industry trend. The net inflow of funds for investments into mutual funds grew by 13 percent in spite of a negative stock market environment to EUR 995 million. In comparison, the investment companies affiliated with the Bundesverband deutscher Investmentgesellschaften (BVI) (association of German investment companies) reported an average decline of some 50 percent in 2001 for net inflow of funds in equity, bond and money market funds. In comparison with the BVI-affiliated investment companies, only four of 62 members reported net inflows of funds exceeding those of MLP Finanzdienstleistungen AG for the year 2001. The increase at MLP shows that the long-term approach of the MLP consultation convinces the investors even in times dominated by poor stock market performance.

Activities abroad

The activities abroad were rewarded with gratifying developments. MLP follows the same strategy that had proven successful in the development of business in Germany. The 2001 business year confirms the chosen approach. During the year the foreign MLP subsidiaries and branch offices only made, as forecast, a relatively low contribution to MLP's overall business, but they developed – without exception – very strongly with a total growth rate of some 60 percent.

The MLP objective is to systemically build up and expand the foreign operations that were launched six years ago in Austria and have since extended successively to the Netherlands, Switzerland and Great Britain. The progress of operations in Germany serves here as a role model. MLP is cautious when entering new markets and only takes the step following detailed preparations, starting initially at just a few locations and focussing here on its relevant target groups at the universities. With this approach MLP lays the foundations for dynamic organic growth that includes the systematic build up of more branch offices, new locations and clientèle.

MLP opened for business in Great Britain in 2001. Overall the number of foreign branch offices doubled from 16 to 32 and the number of Financial Consultants employed abroad rose from 95 to 190.

Organic growth also abroad

The development of business activities abroad is proof enough that the MLP strategy works. In 2001, they contributed approximately 8 percent to the total MLP Group revenues. The Group executive board predicts that by 2010 some 25 percent of total revenues will be reported by the foreign subsidiaries.

The MLP model can be transferred successfully to other countries by making detail adjustments to suit the respective market environments.

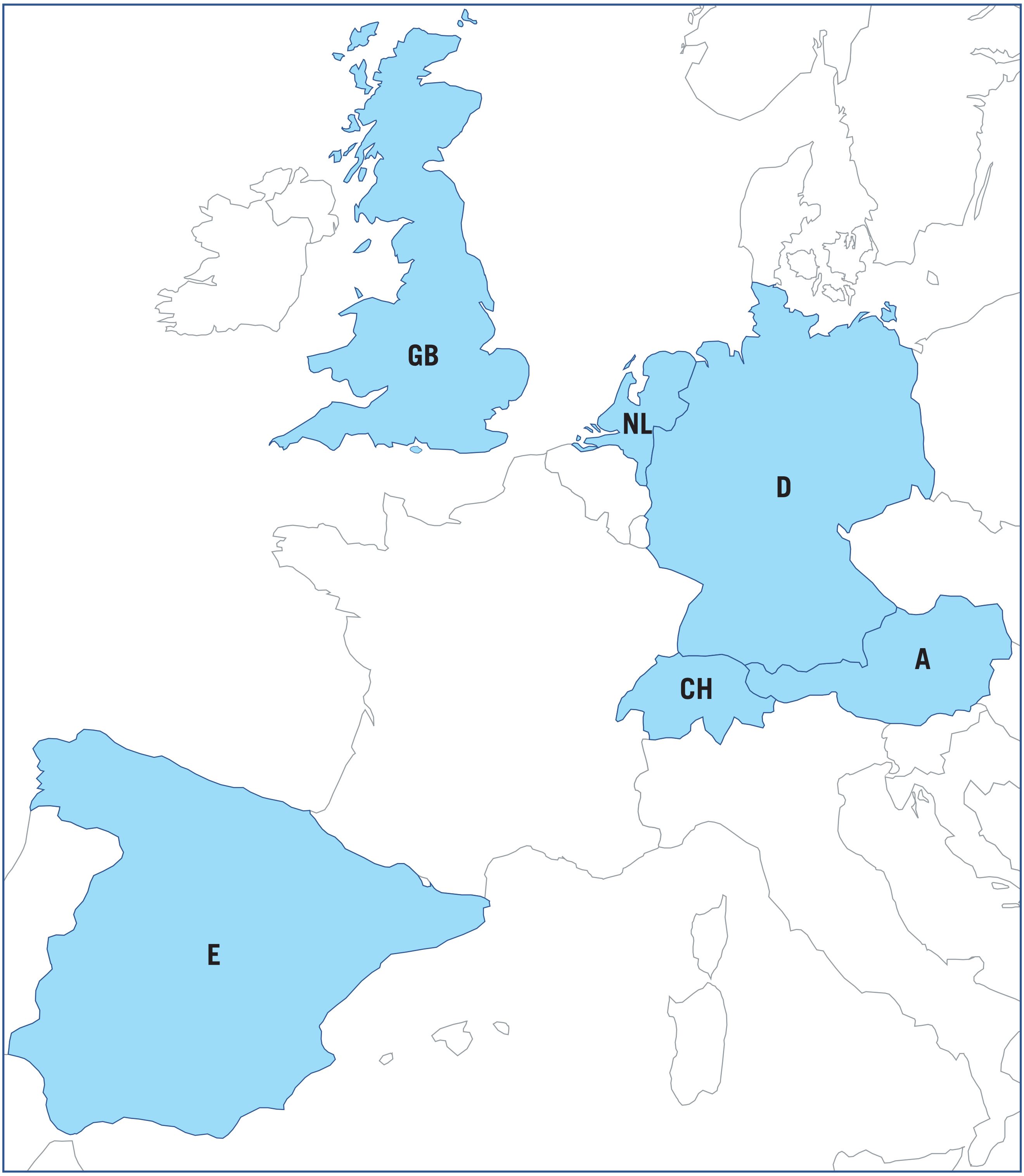
A new country each year

The entry to the Spanish market marks the further continuation of MLP's organic growth-based foreign strategy. The first branch office was opened in Spain in 2002 this spring. The year 2003 will probably see entry onto the French market.

Outlook

MLP Finanzdienstleistungen AG also forecasts excellent figures again for 2002. The pension reform will probably have a positive effect upon the overall business development. MLP launched two innovative solutions here to the market in January 2002, which differ considerably from products offered by all other market participants.

MLP Finanzdienstleistungen AG will also be placing a special focus upon expanding business with very wealthy private clients. In 2002 the growth potential in this segment is very promising in the mid-to long-term for MLP.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DIFFERENT COUNTRIES – THE SAME CULTURE: MLP AND ITS STRATEGY BEYOND GERMANY

The 30 MLP Financial Consultants who have been staffing the MLP branch offices in Fenchurch Street, London, since February 2001 have plenty to keep them busy.

Also with its international expansion MLP follows the principles of organic growth, quality and its company culture.

The interest in sophisticated financial consultation services for graduates in Great Britain is considerable. Nevertheless, MLP will grow organically. The aim is to create a sound basis with a consistent corporate culture to ensure that the same high quality of consulting can also be guaranteed for the Great Britain in the long-term. The success of the activities in Austria, Switzerland and the Netherlands is ample proof that organic growth is the right direction.

MLP Lebensversicherung AG in EUR million	2000	2001	Percentage change
Premium income	274.5	371.5	+35.4
- of this, mutual fund policies	249.8	330.3	+32.3
Investment stock in EUR million	580	768	+32.4
Pre-tax profit	8.4	13.3	+59.6
Annual net profit	4.2	8.4	+101.4
In EUR billion (amount insured)			
Total additions	4.1	4.2	+2.4
– of this, mutual fund policies	2.4	2.5	+4.2
Business in force	12.4	16.1	+29.8
– of this, mutual fund policies	7.0	9.2	+31.4

MLP Lebens-versicherung AG

The core business at the now eleven-year old MLP Lebensversicherung AG is unit-linked life and pension insurance. The company also operates in the term insurance, endowment and pension insurance as well as occupational disability cover fields.

Endowment and the pension insurance cover, as well as that of occupational disability, are offered as part of an insurance consortium. MLP Lebensversicherung AG only holds a small portion of the insured risk on its own account for these policies, to allow the company to operate as consortium leader (cf. The MLP strategy, page 14). In this role MLP Lebensversicherung AG assumes the underwriting for the entire consortium, writes out the contracts, the collection, the policy administration and the claim adjustments for all participating insurance companies. The company transfers the majority of risk to other insurance companies.

The year 2001 was another good year for MLP Lebensversicherung AG in terms of new business. Insurance related changes in product design of occupational disability and term insurance lead to, statistically lower declarations with equal insurance coverage measured against actual written business. This rose, as forecast by 2 percent to EUR 4.2 (4.1) billion compared with the amount insured.

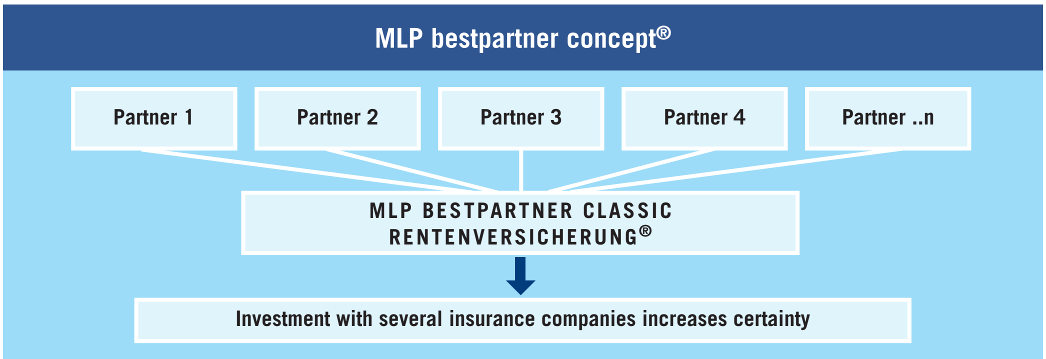
Business in force climbed – measured against the amount insured – from EUR 12.4 billion to EUR 16.1 billion. This represents an increase of 30 percent. The largest share of business in force continues to be accounted for by the unit-linked life and pension insurance policies with a volume of EUR 9.2 (7.0) billion.

The investment stock for the mutual fund policies increased by 32 percent to EUR 768 (580) million in spite of the negative developments on the stock markets.

The premium income at MLP Lebensversicherung AG increased by 35 percent from EUR 275 million to EUR 371 million. As such they grew approximately ten times more than the industry-average.

MLP Lebensversicherung AG increased its pre-tax profit by 60 percent to EUR 13.3 (8.4) million. The net profit doubled from EUR 4.2 million to EUR 8.4 million. The company thus validated the high profit growth from the previous year.

During the course of 2001, MLP Lebensversicherung AG developed two unique, innovative solutions and introduced them onto the market: the “MLP bestpartner classic Lebens bzw. Rentenversicherung®” and the “MLP bestpartner topinvest fondsgebundene Rentenversicherung mit high performance concept®”.



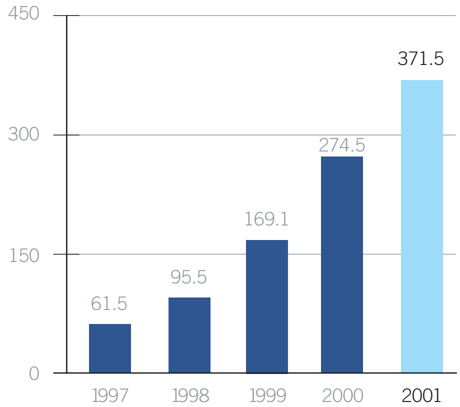
The "MLP bestpartner topinvest fondsgebundene Rentenversicherung with high performance concept®" is a special unit-linked pension insurance policy, which is supported by the German government as a so-called "Riester Pension". The German Federal Supervisory Office for Insurance granted the certification required for the government bonus in December 2001.

The "MLP bestpartner classic Lebens- bzw. Rentenversicherung®" – is a conventional life and pension insurance cover in a consortium of insurance companies that are independent of one another. The advantage for the client is that his savings are split across several, independently operating insurance companies in quotas defined in advance. The total amount saved in an insurance policy is then managed by several independent asset managers. The risk that the prognosis given at the time of policy agreement concerning the capital bonus is not achieved is reduced as a result of the diversification with several insurance companies operating independently of one another. A solution has also been certified as a so-called "Riester Pension" under to this concept.

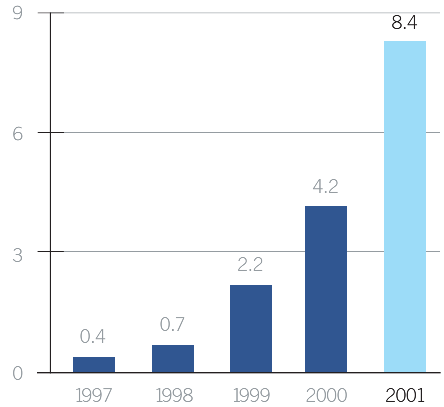
MLP-Lebensversicherung AG, Austria – a 50:50-Joint-Venture with the UNIQA Group – developed as forecast. The new business reached EUR 472 million in total premiums. The business in force reached EUR 1.3 billion in comparison with EUR 0.9 billion at the end of 2000. Premium income climbed by 8 percent to EUR 104.0 (96.4) million.

MLP Lebensversicherung AG expects to see a sustained high level of business development in 2002. The driving force behind this growth will be, in addition to the new government-aided pension provision policies as part of the "Riester Pension", the unit-linked life and pension insurance policies.

Premium income in EUR million



Net profit in EUR million



MLP Vermögensverwaltung AG in EUR million	2000	2001	Percentage change
Sales revenue	11.8	13.5	+15.1
Pre-tax profit	8.0	10.1	+27.2
Net profit	3.8	6.3	+63.9
Assets under management	2.3	2.8	+21.7

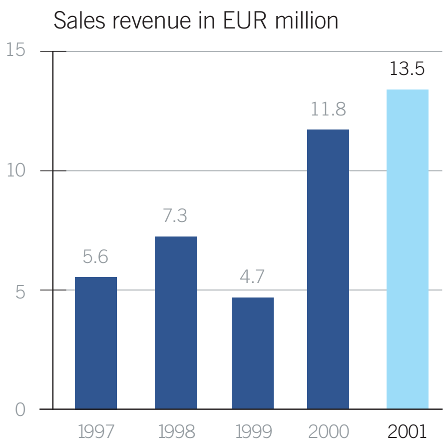
MLP Vermögensverwaltung AG

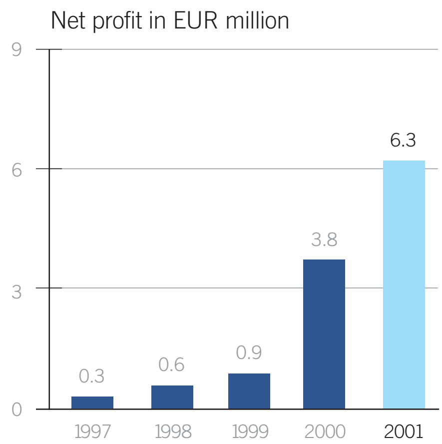
The range of services provided by MLP Vermögensverwaltung AG comprises the development of investment concepts, portfolio management for MLP clients and the administration of mutual fund policies under MLP management. At the same time the group subsidiary also operates as an electronic broker platform for the financial investment field within the MLP Group. The company also advises MLP Lebensversicherung AG and MLP Bank AG, creating new asset management concepts in conjunction with MLP suppliers in the banking and insurance sectors and is among the leading independent asset management operations in Germany.

The core business activities at MLP Vermögensverwaltung AG were also formed in 2001 by two investment alternatives, under which the investors' capital flows into mutual funds which leading investment companies have issued and managed specifically for MLP:

- The MLP solution for investment growth. Here MLP offers a very diversified mutual fund investment opportunity, which can be adapted to suit the individual needs of each client depending upon their investment objective and investment mentality using a Time-Risk-Matrix.
- The MLP Asset Management Portfolio. This comprises classic asset management with mutual funds.

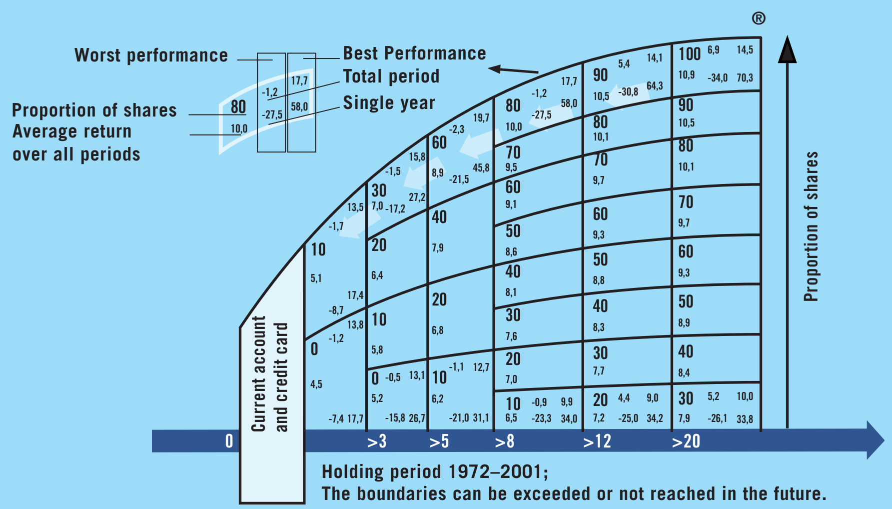
Despite the negative trends on the most important international stock markets the assets under management in mutual funds climbed by 22 percent to EUR 2.8 (2.3) billion. Equally, the total assets under management within the entire MLP Group also increased by 22 percent to EUR 3.3 (2.7) billion.





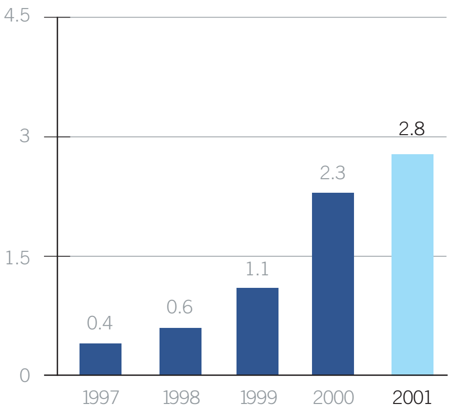
MLP Vermögensverwaltung AG improved its sales by 15 percent to EUR 13.5 (11.8) million as a result of the good business developments. The pre-tax profits reached EUR 10.1 million compared with EUR 8.0 million in 2000. Net profit climbed by 64 percent from EUR 3.8 million to EUR 6.3 million. These results mean that MLP Vermögensverwaltung AG is one of the few asset management companies at all which has reported profit growth for 2001. The board of MLP Vermögensverwaltung AG predicts that the company will continue to grow significantly in 2002.

MLP Solution for investment growth

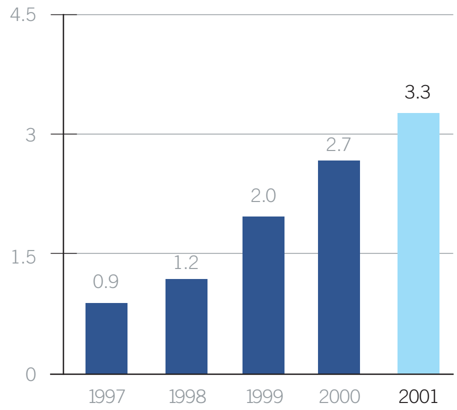


MLP Solution for Growth: The Client and the MLP Financial Consultant together define the suitable portfolio, depending on the objective, time horizon and risk preferences. General Rule: The shorter the investment horizon, the smaller the proportion of shares.

Assets under management
in EUR billion



Total structured assets under
management of the MLP Group
in EUR billion



EVEN OLD HANDS NEED NEW INFORMATION: THE MLP ADVANCED VOCATIONAL TRAINING PROGRAM

At MLP, almost one month a year is devoted to advanced training, even for experienced consultants.

You live and learn. For an MLP Financial Consultant this maxim means more than just gaining experience. Our Consultants see this as a motto that is reflected in hard figures.
Each Consultant benefits from a vocational training programme at the MLP Corporate University that comprises some 700 teaching units. And each of them has an average of 27 days annual training. No matter whether he has been with MLP for two or ten years.

This practice – which is unusual for the sector – is based on the realisation that the secret of outstanding training is that is does not stop at the end of the course.

MLP Bank AG in EUR million	2000	2001	Percentage change
Net interest received	2.5	4.6	+81.4
Net commissions received	7.8	10.8	+38.7
Pre-tax profit	0.2	0.3	+49.9
Net profit	0.2	0.6	+175.3
Balance sheet total	297.9	417.7	+40.2

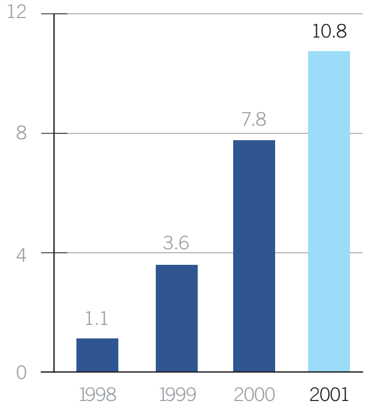
The MLP Bank AG was founded in 1998

The MLP Bank AG generates financial concepts and also manages accounts and depots for MLP clients. The Financial Consultants can approve client loans up to a volume of EUR 400,000 immediately due to the technological lead they have with the MLP Hyp brokerage platform. In addition to this the MLP Bank AG also co-ordinates business with the various banks and investment management companies that co-operate with MLP to supply the components for the MLP solutions.

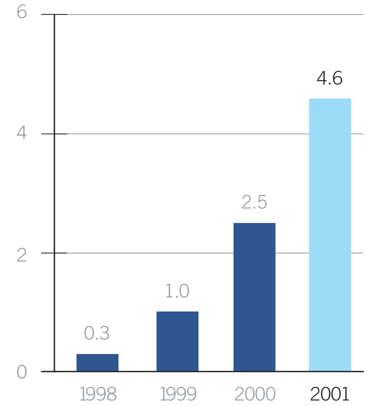
In 2001, the MLP Bank AG succeeded in increasing the share of MLP clients who are also MLP Bank clients. The number of current accounts increased to some 250,000.

The balance sheet total rose to EUR 418 million as the result of a strong expansion in the loans and current account business volume. As such, the total was 40 percent higher than the volume of EUR 297.9 million reported at the end of 2000. The net interest received climbed by EUR 2.5 million to EUR 4.6 million (+81 percent). The net commissions received reached EUR 10.8 million in comparison with EUR 7.8 million in the previous year (+39 percent).

Net commissions received
in EUR million



Net interest received
in EUR million

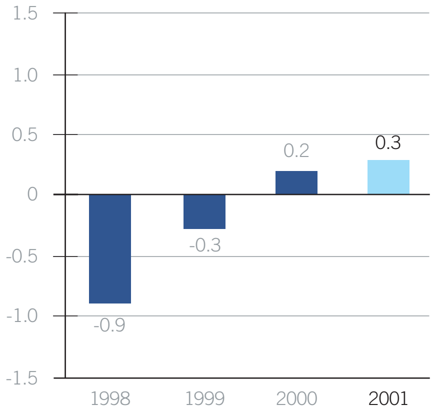


The increase in business volume and the growing demands made of the bank were reflected in the personnel expenditure and the operating expenses in particular. Personnel expenditure rose by 52 percent to EUR 4.9 million because the MLP Bank AG continued to build up the number of staff during the course of 2001 from 63 to 93. The operating expenses, which rose by 71 percent to EUR 15.5 million, cover high information technology investments that flowed into, among other areas, the securities brokerage platform.

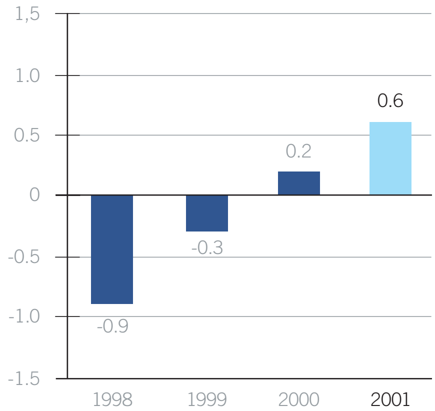
The bank increased its pre-tax profit by 50 percent to EUR 0.3 (0.2) million in spite of the high investments undertaken. The annual net profit climbed from EUR 0.2 million last year to EUR 0.6 million hence growing by 175 percent.

The MLP Bank AG predicts sustained strong growth for the current business year. It expects additional business from the securities brokerage platform that went online in the spring of 2002, further complementing the MLP range of services.

Pre-tax profit in EUR million



Net profit/loss in EUR million



MLP Versicherung AG in EUR million	2000	2001	Percentage change
Premium income	0.0	23.4	-
Sales revenue	8.7	6.8	-22.3
Pre-tax profit	- 0.1	2.7	
Net profit	0.2	2.2	+1,343
Number of insurance policies under management	176,000	265,000	50.6

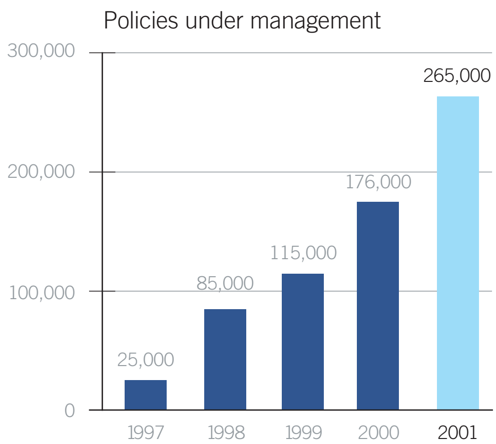
MLP Versicherung AG

MLP Versicherung AG operates as the electronic broker platform on behalf of the group for the non-life insurance business. The MLP Risk Management concept is not, as is usually the case, to agree on single, unconnected insurance policies, but instead to develop tailored solutions for all risk areas, be it for household accident coverage, building, private or professional liability, legal protection or car insurance.

The risks are generally insured with insurance consortiums. MLP Versicherung AG bears, depending upon the type of insurance, a varying part of the risk on its own account and assumes the complete underwriting, the issue of policies, the collection procedure, the administration of contracts and the settlement of claims for all insurers involved.

More favourable risk profile

The package solutions facilitate the realisation of solutions which both suit client requirements and eliminate overlaps between different policies. This means that MLP can offer its clients particularly advantageous solutions in the private risk management field both in terms of price and quality. MLP clients also have a much more favourable risk profile and hence a significantly lower claims quota than less homogeneous customer bases. Another benefit is that the business processes at MLP Versicherung AG are automated to a greater extent. The administration costs are therefore particularly low.

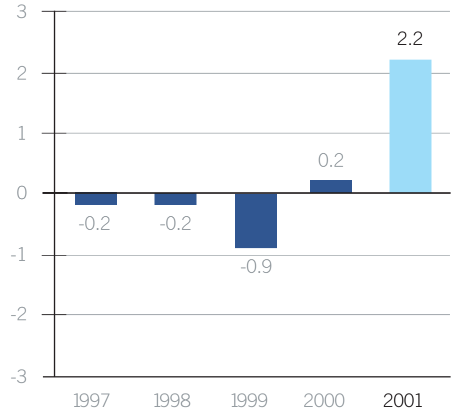


The good price-performance ratio also had a positive effect upon new business at MLP Versicherung AG in 2001. The number of insurance policies managed by MLP Versicherung AG increased for example by 51 percent from 176,000 in 2000 to 265,000. The contribution receipts for insurance policies managed by MLP Versicherung AG rose by 34 percent from EUR 33.1 million in 2000 to EUR 44.5 million. Of these, 53 percent were booked on the MLP Versicherung AG accounts, this corresponds to EUR 23.4 million.

The sales revenue declined as forecast by 22.3 percent from EUR 8.7 million to EUR 6.8 million. This largely comprises the consortium leadership fee related to that share of the business in force managed by MLP Versicherung AG on account of other insurance companies. The share of risks insured on its own account at MLP Versicherung AG result now in premium income.

In its first year subsequent to commencing business operations as an insurance company MLP Versicherung AG was already able to report a clearly positive result. In spite of the high investments made, the company recorded both pre-tax and after-tax profit for the period. The pre-tax profit rose for example to EUR 2.7 million. Just one year previously MLP Versicherung AG reported a loss here of EUR 0.1 million. The net profit climbed from EUR 0.2 million to EUR 2.2 million, a more than ten-fold increase. MLP Versicherung AG forecasts sustained high growth for the business year 2002.

Net profit / loss in EUR million



GREAT MINDS THINK ALIKE: WHY MLP CONSULTANTS KNOW WHAT THEIR CLIENTS WANT

People committed to their careers spend the greater part of their time at work with their colleagues. And many share their free time too, because each understands the other's work situation without lengthy explanations and because their lifestyles are similar.

The situation is almost the same when the Financial Consultant and the client share a similar background, the same education or training for example. At MLP such constellations are no coincidence – they constitute a deliberale element of our company strategy. With the advantage that MLP clients don't have to waste a lot of words on career opportunities, professional risk liability insurance or business start-ups. The MLP Financial Consultants are familiar with the questions specific to the clients' professions as a result of their own academic background and ongoing focus on the relevant sector. So it comes as no surprise to find that the answers provided by our consultants are the right ones.

An MLP Financial Consultant and his client have a lot in common – the ideal prerequisite for a one-on-one consultation.

General economic situation

The global economy fared substantially worse in 2001 than most experts had projected. Instead of flattening slightly as had been forecast, growth rates plummeted in some regions over the course of the year. The already adverse trend was exacerbated by the consequences of the tragic events on September, 11.

Germany was amongst the countries hit the hardest by the downturn. In the by far most important market for MLP, gross domestic product growth for the entire year fell to 0.6 percent, in comparison with a figure of 3.0 percent in 2000. Negative growth rates were even recorded for the last two quarters of 2001.

Similar tendencies - albeit mostly in a milder form – were evident in all the countries of the European Union. Overall the gross domestic product only increased by 1.7 percent across the union. This is 1.6 percentage points lower than the growth rate reported for the previous year.

The situation for the German financial services sector was further aggravated by the persistent slump in equity prices on major world markets. One of the consequences of this was that virtually all of the major German banks posted a slump in profits over the course of the year, prompting them to announce redundancies and branch closures. In total, the four major private banks planned to shed roughly 30,000 jobs and close some 700 branches.

The situation in the insurance sector was different. Although many companies in the sector suffered from the generally heavy pressure of competition, rising costs and, in some cases, the consequences of the events of September 11 on the one hand, they were able to generate higher premium income in individual sectors on the other. For instance, there was a sector-wide increase of almost 5 percent in premium income from car insurance, private health insurers' premium income rose by approximately 5 percent and life insurance premiums by a good 2 percent. However, the negative impact of the bear markets in equities forced virtually all life insurance companies to cut their surplus-sharing component for policyholders, thus causing the projected benefits paid out upon expiry to fall.

MLP Group in EUR million	2000	2001	Percentage change
Total revenue	816.4	1,049.9	+28.6
Pre-tax profit	114.8	150.7	+31.2
Net profit	61.9	98.9	+59.9
Shareholders' equity	165.9	225.6*	+36.0
MLP AG in EUR million			
Pre-tax profit	92.1	116.8	+26.8
Net profit	51.5	77.9	+51.2
Shareholders' equity	157.8	196.2*	+24.3

* Adjusted by planned dividend payments

General situation

The MLP Group largely defied the trends in the overall economy in 2001, once again making substantial gains in all major business segments. However, it was not only the Group as a whole that grew according to plan. Indeed, all the Group companies met their targets. Accordingly, MLP was able to improve all of its key business figures. Worthy of particular note is the fact that profit rose as forecast for both the MLP Group and MLP AG despite heavy information technology investments and the substantial expansions to the company's market presence involving the opening of 105 new branch offices.

As in previous years, the Group's growth was purely organic in nature and not the result of acquisitions.

The principal reasons for the Group's sustained positive business development were:

– **The consistent focus on the graduates** and "high potential" target groups, in conjunction with the excellent position that MLP has since achieved in this segment. This has provided MLP with a client base that is relatively independent of economic cycles when it comes to amassing wealth. For instance, contributions to pension-saving schemes are generally paid on a monthly basis and regularly maintained even "in hard times". A major part of payments made into mutual funds also comes in steady monthly instalments.
– **The Corporate strategy geared to the long-term.** MLP's customers typically sign on just after they have graduated from university or are about to embark on their careers and thus have only limited financial means at their disposal. Most of the young customers start amassing wealth on a regular monthly basis at an early stage. In the course of their careers, their incomes rise, allowing them to increase the size of their accumulated assets on a long-term and steady basis. MLP's aim is to accompany them throughout their lives as their financial and asset management advisor. In this way, the increasing funds which clients have at their disposal can then be invested through MLP. Thus, the company benefited from its customers' growing financial resources again in 2001.
– **High-quality consulting services and products.** MLP provides services to a very discerning target group. This makes high-quality consulting services and competitive solutions absolutely crucial for successful business. In 2001, MLP was again able to meet these requirements by offering excellent value for money across all financial services sectors.
– **Rising number of Financial Consultants.** Only Financial Consultants with an appropriate number of clients can guarantee a proper and distinguished advisory service. For this reason, the average number of people supported by any one MLP Financial Consultant does not exceed the 200 mark. In 2001, MLP increased the number of Financial Consultants by 545 to 2,566.
– **Unified information technology structure** across all financial services divisions in the form of electronic broker platforms.

MLP Group breakdown of total income in EUR million	2000	2001	Percentage change
Sales revenue	255.8	314.1	+22.8
Other own work capitalised	3.8	6.8	+78.9
Interest income from banking operations	8.2	13.3	+62.2
Insurance premiums*	322.6	446.6	+38.4
Income from reinsured business	185.4	240.4	+29.7
Other operating income	40.6	28.7	-29.4
Total revenue	816.4	1,049.9	+28.6

* including MLP-Lebensversicherung Österreich AG

Income development

In the business year 2001, the Group increased total income by 29 percent to EUR 1,050 million. With this income result MLP has exceeded the EUR one billion mark for the first time in its history.

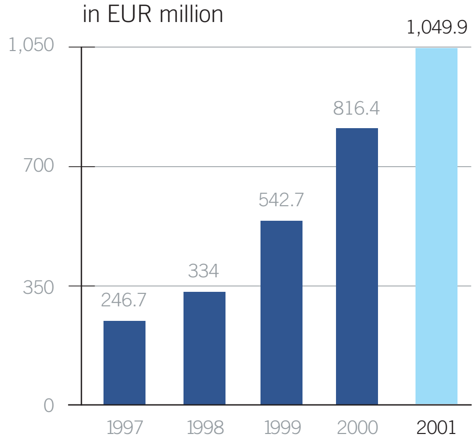
MLP Finanzdienstleistungen AG increased its revenues by 30 percent in 2001, from EUR 291.5 million to EUR 378.4 million.

The premium income of MLP Lebensversicherung AG rose from EUR 274.5 million to EUR 371.5 million, which is equivalent to an increase of 35 percent. Thus, MLP Lebensversicherung AG grew at a much faster pace than the sector as a whole.

As projected, MLP Vermögensverwaltung AG increased its revenues by 15 percent, from EUR 11.8 million to EUR 13.5 million.

Premium income booked by MLP Versicherung AG in 2001 totalled EUR 23.4 million. It did not generate any premium income in the previous year. Furthermore, MLP Versicherung AG posted revenues of EUR 6.8 million, down from EUR 8.7 million one year earlier. This is a decrease of 22 percent to the greater extend they are comprised of consortium leadership charges for the share of business in force of other insurers administered by MLP Versicherung AG. The risks, for that portion of business in force that is now insured on own account at MLP Versicherung AG, generate premium income.

Group total revenue
in EUR million



Profit development

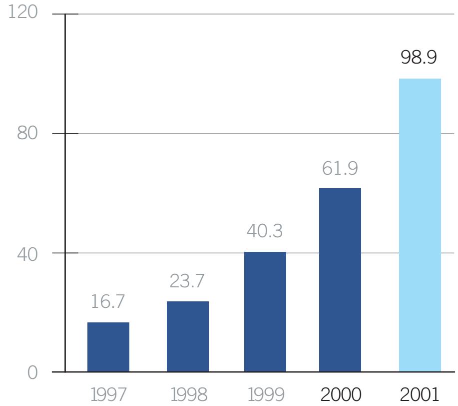
Group pre-tax profits developed almost in parallel with the total revenues growth, climbing by 31 percent to EUR 150.7 million. The comparative figure reported for the previous year was EUR 114.8 million. Consolidated net profit rose year on year from EUR 61.9 million to EUR 98.9 million, representing an increase of 60 percent. The MLP Group’s tax load came to EUR 51.8 million, compared with EUR 52.9 million in the previous year. The result is an increase in DVFA-based earnings per share from EUR 0.68 to EUR 1.05.

As in the past, MLP Finanzdienstleistungen AG made the biggest contribution to its consolidated profit. The company generated pre-tax profit amounting to EUR 116.6 million. This marks a 34 percent increase over the figure of EUR 87.1 million posted in the previous year.

The pre-tax profit at MLP Lebensversicherung AG and MLP Versicherung AG grew at an even faster pace, both subsidiaries having posted disproportionately strong profit growth. For instance, the pre-tax profit at MLP Lebensversicherung AG rose 60 percent to EUR 13.3 million, while its net profit for the year doubled from EUR 4.2 million to EUR 8.4 million. MLP Versicherung AG moved into a profit zone in the first year of its operations, posting pre-tax profit of EUR 2.7 million, up from the previous year’s loss of EUR 0.1 million. The net profit at MLP Versicherung AG increased ten-fold, rising from EUR 0.2 million to EUR 2.2 million.

The other Group companies also performed as forecast. For instance, MLP Vermögensverwaltung AG delivered a 27 percent increase in pre-tax profit to EUR 10.1 million, with its net profit increasing by 64 percent from EUR 3.8 million to EUR 6.3 million. MLP Bank AG was in fact able to post a slight increase in its pre-tax profit on the previous year’s figure (EUR 0.3 million versus EUR 0.2 million). Its net profit increased by over 175.3 percent from EUR 0.2 million to EUR 0.6 million.

Group net profit in EUR million



MLP AG

MLP AG, listed on the stock market and holding company for the MLP Group, again sustained its positive business development trend in 2001. It increased its pre-tax profit from EUR 92.1 million to EUR 116.8 million, improving its pre-tax profit by 27 percent. Its net profit came to EUR 77.9 million, up 51 percent on the previous year's figure of EUR 51.5 million. The disproportionately large gain in net profit vis-à-vis pre-tax profit is attributable to the lower tax rates applicable to incorporated companies as a result of the corporate tax reform, a benefit that accrued to all the consolidated companies. Lower tax rates are as in previous years also attributable to the planned dividend distribution which reduces the tax burden of EUR 6.6 million

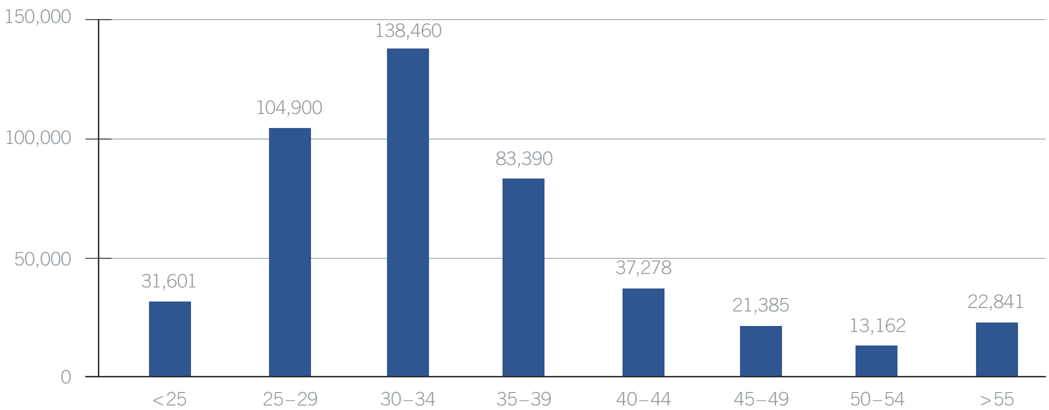
Investments

In 2001, the MLP Group invested heavily in its future. For instance, a sum of EUR 8.7 million flowed into expanding the branch office network. A total of EUR 45.3 million was invested in the expansion and operation of the information technology infrastructure. The largest single posting here was for the expansion of the securities brokerage platform. In this area as well, the bulk of capital spending was handled by the Group's own employees. As a result, a major part of this expenditure was charged to fiscal year 2001 profit. MLP invested EUR 41.9 million to complete and furnish the Group's new headquarters in Wiesloch near Heidelberg of which EUR 18.4 million are attributable to fiscal year 2001.

Production figures

The dynamic corporate growth is also reflected in new business volumes. To illustrate, MLP recorded a net capital inflow of EUR 995 (880) million into mutual funds in spite of the adverse conditions prevailing on equity markets. New loan business was up 22 percent, rising from EUR 920 million to EUR 1,120 million. In the pension-provision segment, new business applied for with MLP in the areas of unit-linked life insurance, risk insurance, endowment insurance as well as disability insurance rose by 27 percent in terms of total premiums from EUR 4.75 billion to EUR 6.01 billion. The volume applied for in the area of private health insurance was up 15 percent, from EUR 62 million to EUR 71 million.

Age structure of the MLP clients



Key figures MLP Group	2000	2001
After-tax return on equity	37.3 %	43.9 %
Equity ratio	13.3 %	13.5 %
MLP AG		
After-tax return on equity	32.6 %	39.7 %
Unappropriated profit in EUR million	51.6	77.9
Total dividend in EUR million	30.9	39.6

Key figures

The consolidated after-tax return on equity rose from 37 percent in 2000 to 44 percent in 2001. As expected, the equity ratio remained due to the growing investment stock held by MLP Lebensversicherung AG and MLP Bank AG's trust liabilities at some 13 percent. Adjusted for the planned dividend distribution, shareholders' equity stood at EUR 225.6 million.

MLP AG's after-tax return on equity amounted to 40 percent, while the equity ratio remained unchanged at approximately 80 percent. Net profit for the year rose by 51 per cent from EUR 51.6 million to EUR 77.9 million. At the annual general meeting scheduled for May 28, 2002, the shareholders will be asked to approve a dividend per ordinary share of EUR 0.5 (EUR 0.38) to be paid out from the unappropriated profit. Accordingly, the total dividend payout will increase by 28.2 percent from EUR 30.9 million to EUR 39.6 million.

Clients

MLP was able to secure some 82,500 new customers in 2001, showing a substantial increase on the previous year's figure. In 2000, MLP increased its client base by 66,000 clients. The client base rose by 22 percent to 453,000.

In 2001, MLP again continued to focus on its target group comprising graduates in economics, business administration, engineering, law, medicine and dentistry. The segmentation by occupational groups was reinforced still further in 2001 by the life stages at which clients find themselves and their age structures. MLP was once again able to increase its market share in these target groups last year due to its good positioning at universities, its good reputation and the high awareness for the MLP name. This is illustrated by the fact that some 45 percent of all graduates in the above-mentioned disciplines joined MLP. In 2000, this figure was 40 percent.

In 2001, MLP also stepped up its endeavours to secure more clients already at work in the professions that comprise its target groups. Some 45 percent of all new customers were in this category and came to MLP on the recommendations of existing satisfied customers.

MLP also began to make systematic forays into financial consulting services for very wealthy private clients in 2001. There is strong demand from this clientele for advice on integrated financial solutions, and MLP will further increase its presence in this segment in 2002.

There was virtually no change in the age breakdown of MLP customers over the previous year. The average age of the client base remained the same at 34. MLP does not expect to see any major changes here over the next few years. 30 percent of the customers are younger than 30, 49 percent are aged between 30 and 40 years. 13 percent are in the 40-50 year age bracket and only 8 percent are 50 years of age or older.

Employees

In contradiction to the general trend within the financial services sector, MLP actually created new jobs in 2001. Overall the Group increased the number of employees and Financial Consultants by 25 percent to a total of 3,866. By comparison, MLP employed 3,102 staff and Financial Consultants at the end of the previous year.

The bulk of the new recruits was accounted for by Financial Consultants, who are in fact independent sales representatives. Over the course of the year the Financial Consultant network was increased by a total of 545 new Financial Consultants. This represents an increase in the number of Financial Consultants from 2,021 to 2,566 – a rise of 27 percent. There were 190 Financial Consultants working outside Germany.

In its recruitment efforts, MLP also benefited from the difficult conditions prevailing in the financial services sector. Against the backdrop of job cuts planned by the banking industry, young, committed and well-trained financial experts were willing to switch to a secure employer offering major potential for the future. Thus, most of the Financial Consultants newly recruited last year have a solid background of practical experience in the banking sector. MLP's appeal as an employer is also borne out by the fact that a total of some 6,000 people applied to become Financial Consultants. MLP continued to attach key importance to very high qualifications of any new employees or Financial Consultants. And as has been the case in the past, by far the majority of the Financial Consultants are university graduates.

The number of permanent employees rose by 20 percent from 1,081 in the previous year to 1,300.

The executive and supervisory boards wish to thank all employees and Financial Consultants for their great dedication last year. This made a key contribution to ensuring that MLP was able to grow as planned.

Branch offices

The number of branch offices rose even more sharply than the number of Financial Consultants in percentage terms. At the end of 2001, MLP maintained 325 offices, including 293 in Germany. Twelve months prior to this, MLP was operating a total of 220 branch offices. The number of offices thus increased by 48 per cent within a one-year period.

The rise in the number of both branch offices and Financial Consultants exceeded the original figures forcast by MLP for 2001. This was primarily due to opportunities taken for bolstering future business. The branch office network was systematically extended by way of even greater segmentation and focus on customer proximity. In this way, MLP created the basis for concentrating even more closely upon the clients in the career and age groups it has chosen to address. These measures constituted a key investment in the future aimed at safeguarding the Group's continued rapid growth.

Annulment action I

In July 1998 the "Schutzgemeinschaft der Kleinaktionäre" (association for the protection of private shareholders) brought action against MLP because of two resolutions passed by the annual general shareholders' meeting held on June 15, 1998 and moved, that both the resolution concerning the discharge of the executive board, as well as that concerning the discharge of the supervisory board be declared null and void. The contents of this legal action were discussed in detail in the 1998 MLP Group Annual Report. This action for annulment was dismissed in MLP's favour by the German Federal Supreme Court in the last instance on June 18, 2001.

Annulment action II

The annulment suits filed by two individual shareholders against resolutions passed at the extraordinary shareholders' meeting held on November 17, 2000 are still pending. A detailed statement was provided concerning both the contents and MLP's predictions relating to these actions in the 2000 MLP Group Annual Report. The Regional Court in Heidelberg dismissed both suits in the first instance in its verdict dated June 26, 2001. The two individual shareholders concerned have appealed before the Intermediate Court of Appeals in Karlsruhe. As yet, a date for the hearing before the Intermediate Court of Appeals in Karlsruhe has not been set.

Subsequent to the dismissal of the actions by the Heidelberg District Court the capital approved by the general meeting for the capital increase was registered in the Heidelberg Trade Register against contributions in kind of up to EUR 29.5 million. It is now possible for MLP to implement the capital increase and to restructure the MLP Group in accordance with the respective resolutions passed by the shareholders' meeting in November 2000. The capital increase at MLP AG is still scheduled for 2002.

Outlook

The first few months of 2002 have shown that the growth trend at MLP is continuing unabated. High increases have been achieved in all major business segments.

In future, too, the MLP Group will sustain its a very dynamic pace of growth. In this regard, it is the executive board's objective to exceed the key business figures of the previous year by a substantial amount and thus maintain MLP's high and steady rate of organic growth.

The executive board expects growth in 2002 to be underpinned by several mainstays:

– As they grow older, MLP customers have a steadily increasing amount of funds available for private pension savings and wealth management, which they invest through MLP. This generates economies of scale that enable MLP to conduct its business on an increasingly broader customer base in this phase of life.

– MLP continues to secure an increasing number of new clients who have practiced their professions for many years and who already have relatively large financial assets at their disposal. MLP expects to gain around 50 percent new clients in this segment by the end of the year.

– MLP will focus more on extending its range of services to include very wealthy clients.

– MLP will also continue to expand its branch office network. The company aims to increase the number of branch offices to 400 during the course of 2002;

– MLP further extended its network of branch offices in 2001 and invested in enhancing its proximity to the customer. In addition to aligning offices to individual professions, they have also been segmented according to client age groups and their phases of life. Greater specialisation enables MLP to offer its customers services that are more attuned to their specific needs. MLP expects this to have a beneficial effect on growth over the next few years.

– MLP continues to develop more new and powerful customer solutions using the electronic broker platforms. For instance, the syndicated products in the area of endowment and pension insurance developed by MLP as well as the new government-subsidised pension-saving products ("Riester Pension") have already met with a very good response from customers. These products, which are hitherto unique in the market, will make a contribution to growth in 2002.

– MLP will continue to expand outside Germany in the future as well. The opening of an office in Madrid in spring 2002 marks the first advance into the Spanish market. Over the next few years, MLP plans to enter a new country market each year.

– MLP will be able to increasingly tap economies of scale by investing on a unified information technology environment and the electronic brokerage platforms.

The executive board believes that MLP will continue to be able to distance itself from general economic trends and, in particular, developments in the financial services sector in 2002. The executive board shares the opinion held by many experts that the German economy will report a growth rate of less than one percent for 2002. MLP also expects that the financial services sector will have to face another difficult year ahead. This will continue to involve the consolidation in the banking industry. MLP sees this as an opportunity to recruit qualified and highly motivated Financial Consultants. Over the course of 2002, MLP is planning to expand its network of Financial Consultants significantly. As a result the total number of Financial Consultants will rise to 3,300 by the end of 2002.

The overall situation facing the financial services sector will also have a positive impact on securing new customers. MLP aims to provide financial service support to some 550,000 clients by the end of the current business year. This corresponds to an increase of over 20 percent in comparison with 2001.

The positive corporate trend will, once again, be reflected in its business figures. The executive board projects consolidated pre-tax profit for the Group of some EUR 195 million and MLP AG in excess of 150 EUR million. This implies that both income and earnings growth will be particularly underpinned by MLP Finanzdienstleistungen AG, MLP Lebensversicherung AG and MLP Vermögensverwaltung AG.

On top of this, MLP will continue to invest heavily in 2002. Future investments totalling some EUR 50 million are planned. These are to include the second stage of construction of the new headquarters in Wiesloch of some EUR 6 million, further additions to the branch office network and Financial Consultants of some EUR 25 million. The continued development of the information technology infrastructure will amount to EUR 19 million. The total investment volume for the second construction stage will amount to some EUR 40 million.

MLP also expects its foreign branches to enjoy strong growth. In addition to extending existing outlets, the company will be opening a least a further 20 new branch offices. As MLP's foreign strategy is also based on organic growth and some of the branches have been operating for only a short time, they will again make only a marginal contribution to MLP's consolidated income and earnings in 2002.

MLP also forecasts unabated dynamic growth for the following year. The executive board predicts a consolidated pre-tax profit of the Group of approximately EUR 250 million and of MLP AG of 200 EUR million for the year 2003. The number of branch offices is scheduled to increase to a good 500 by the end of 2003, by which time MLP will have 4,000 Financial Consultants and 665,000 customers. This is equivalent to 45 percent more customers than at the end of 2001

All numbers mentioned in this report as well as in the quarterly reports 2002 are based on German accounting Standards. The annual report as of December 31, 2002 will for the first time be based on IAS Standards.

Risk report

The German Corporate Control and Transparency Act (KonTraG) covers, among other things, the obligation of companies to report on future risks. At MLP, risk management is an integral part of our business, planning and controlling processes. The objective of Group risk management is to recognise, analyse and assess risks at an early stage and to take measures to limit such risks. Each MLP Group company is responsible for implementing this system. The Group risk management system is thus set up on a decentralised basis, with the results subsequently compiled for MLP as a whole. MLP AG advises its consolidated subsidiaries with respect to risks and coordinates findings.

MLP might be exposed to the following risks:

Performance-related risks

MLP runs its life assurance, non-life insurance, wealth management and banking businesses as electronic brokerage platforms. In this context, MLP’s strategy is not to retain the accounting risks within the Group, but – as far as possible – to transfer them to other companies. In the aforementioned areas of business, the Group retains risk only to the extent required to fulfil the tasks of an electronic brokerage platform. Only clearly defined risks are underwritten in order thereby to tap related income opportunities. In this respect, MLP ensures in particular that it only assumes risks providing good risk compensation, that it assumes no excessive individual risks and that risks are not directly connected with one another. In this context, MLP Lebensversicherung AG and MLP Versicherung AG are also exposed to a low level of insurance underwriting risks. In the case of MLP Bank AG, such risks consist of small risks of default and of changes in interest rates. These risks are subject to constant observation.

For the reasons stated above, MLP is not exposed to any appreciable performance-related risks.

Business environment and sector risks

Any comprehensive changes in government subsidies for pension, surviving dependant and invalidity provisioning and/or for the accumulation of assets as well as far-reaching changes on capital markets may either have a positive or negative impact on MLP Group's business performance. Were such negative effects to appear, they would likely be only temporary in nature thanks to the flexibility of our business model, for instance our ability to replace products, and the comprehensive consulting services we provide to customers in all business matters as well as the increasing international direction of our business.

Any drastic change in the business performance of MLP's target customer group or waning success in penetrating our target group might also have an impact on the business performance of MLP Group. Given our wide focus on the members of various professions (graduates in medicine, dentistry, economics, business administration, engineering and law as well as other economically successful professional groups), the fact that the job market for these professions is currently very strong and that we are broadening our international orientation, means that MLP does not consider itself exposed to the risk of any radical change in the business performance of the Group's target group. Furthermore, MLP still regards the risk of no longer being successful with its target groups as very small because we have enhanced our already strong presence at colleges and universities. We have also, along with gearing our branch network to individual professional groups, focused the branches on 3 different stages of life and raised the quality of our customer service.

In summary, we are confident in saying that we are not exposed to any major business environment or sector-related risks.

Information technology risks

MLP has a very efficient, integrated information technology infrastructure. Sustained failure of this information technology system could thus present a risk to MLP. Our company addresses these risks thoroughly and at several levels: We have documented our systems and processes accurately and have developed a comprehensive security system to provide additional protection against attack from outside. Independent experts monitor adherence to this system on a regular basis. In addition, we have sophisticated backup systems. We have computer centres at 3 different locations. Furthermore, we have established special organisational security measures that enable us to recognise and address risks at an early stage. We have outsourced our information technology operations to large, well-known, professional service providers, and we also employ our own highly skilled experts to handle co-ordination and quality assurance. In addition, MLP ensures that it uses proven, standard software that is suitable to its uniform infrastructure.

In summary, MLP is confident in saying that it is not exposed to any significant information technology-related risks.

Financial risks

MLP funds its current business operations and its growth from operating cash flow. Thanks to our low gearing we are able to finance any extraordinary capital investment of major size with borrowed funds. For instance, in preparation for funding the extension of our administrative centre in Wiesloch, we signed two interest rate swap agreements to cover the financing of this work in terms of interest rate risk. In addition, MLP also has authorised capital of up to 7,920,000 in ordinary shares at its disposal that it could place on the market to raise further substantial funds.

MLP is therefore not exposed to any discernible financial risks.

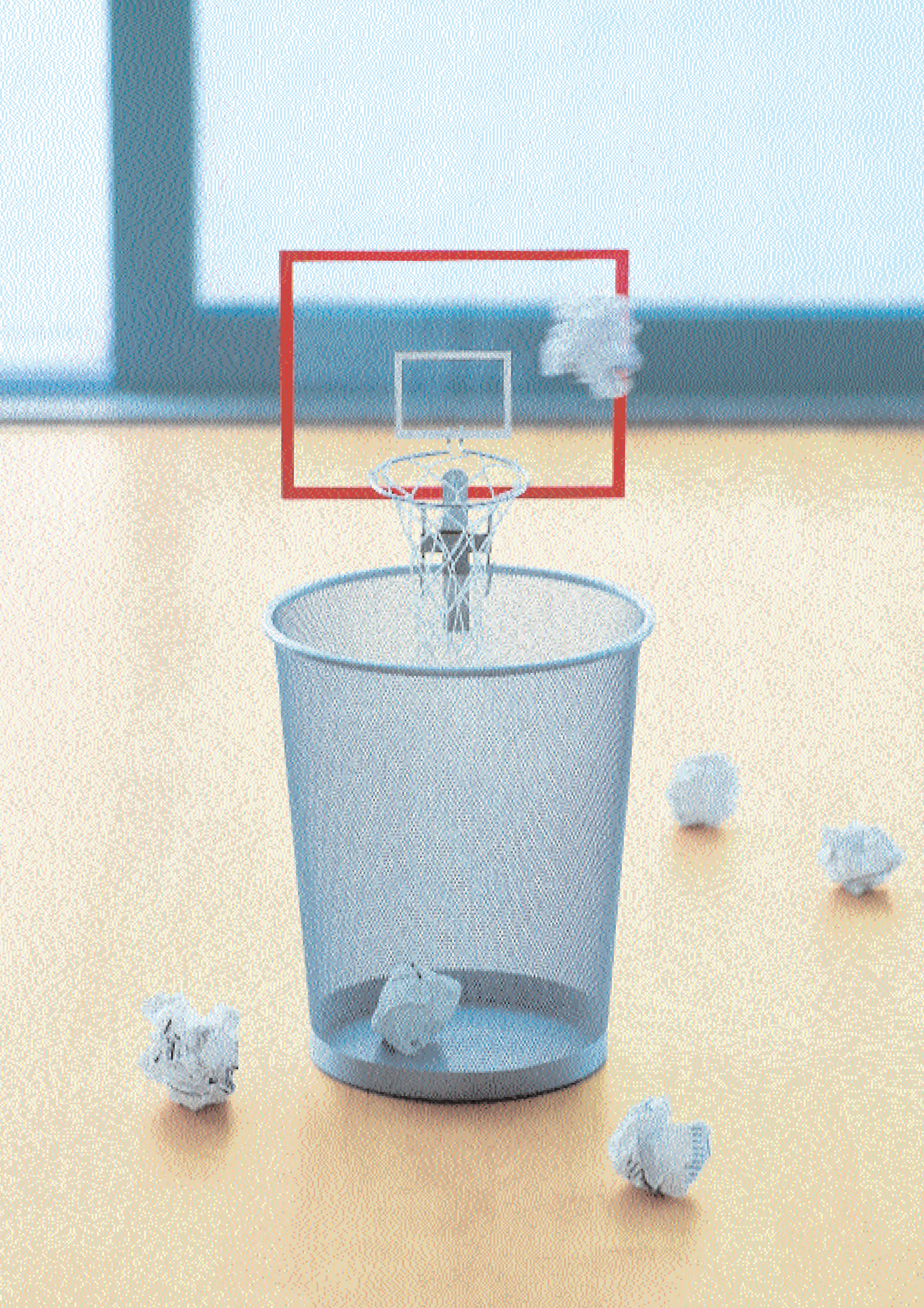
Other risks

A thorough and comprehensive assessment of potential risk that could compromise Group performance has shown that there are no other risks that might jeopardise MLP as a Group.

In our assessment, there is currently no sign of any threat that could adversely affect the MLP Group's growth. No risks have been identified that might jeopardise the Group's existence.

Heidelberg, March 22, 2002

Dr. Bernhard Termühlen	Eugen Bucher	Gerhard Frieg



FROM UNIVERSITY, VIA UNIVERSITY AND BACK TO UNIVERSITY: WHY OUR JUNIOR CONSULTANTS FEEL SO AT HOME WITH STUDENT LIFE

Today, anyone studying engineering, economics, law, medicine or dentistry at a German university will come across MLP sooner or later. Either at one of the many seminars on offer to help with choosing a future career or in a face-to-face meeting to discuss the foundations of an intelligent financial concept.

Quite a number of future university graduates are made aware of an exciting career prospect as a result – and one day they themselves set out on the road to becoming an MLP Financial Consultant. Their former specialist training then comes to benefit clients working in the same discipline. But before all this can happen, the future consultants have to return to the "school desks" and attend an intensive course of study at the MLP Corporate University. The circle only closes once this course has been successfully completed: back at the universities, the now qualified Financial Consultants meet undergraduates who can in turn benefit from early expert financial consulting.

It is not unusual to see freshly qualified graduates returning to their former universities following an additional training course – this time as MLP Financial Consultants.

Assets	31/12/2000 EUR	31/12/2001 EUR
A. Expenses for the start-up and expansion of operations	**4,183,469.00**	**9,841,735.00**
B. Fixed assets		
I. Intangible assets		
1. Concessions, trademarks and similar rights and assets and licences in such rights and assets	12,315,350.06	21,359,934.61
2. Advanced payments	11,282,303.79	12,815,839.59
	23,597,653.85	**34,175,774.20**
II. Tangible assets		
1. Land, leasehold rights and buildings, including buildings on non-owned land	24,160,710.88	55,712,072.16
2. Other fictures and fitting, office equipment	18,430,778.30	34,455,703.19
3. Advanced payment	25,423,303.66	871,681.20
	68,014,792.84	**91,039,456.55**
III. Financial assets		
1. Share in associated companies	0.00	60,101.21
2. Interest in associaciated companies	1.00	0.00
3. Investments held as fixed Assets	25,089,765.28	32,235,578.01
4. Other loans	243,856.10	191,375.57
	25,333,622.38	**32,487,054.79**
IV. Investments of investment stock of unit-linked life assurance	**667,715,440.62**	**889,226,356.46**
	784,661,509.69	**1,046,928,642.00**
C. Current assets		
I. Accounts receivable and other assets		
1. Trade accounts receivable	67,509,944.61	73,428,140.17
2. Accounts receivable – of which overdue by more than one year: EUR 58.580.972,55 Vorjahr: EUR	130,543,230.41	196,675,276.74
3. Accounts receivable due from associated companies	0.00	82,202.91
4. Other assets – of which overdue by more than one year: EUR 34.337.031,97; previous year EUR 20,475,345.96	67,221,498.39	117,110,387.87
	265,274,673.41	**387,296,007.69**
II. Securities		
1. Other securities	28,798,322.59	27,417,280.34
III. Cash on hand and on deposit with German Central Bank, cash in other bancing accounts	34,662,125.15	28,613,820.72
	328,735,121.15	**443,327,108.75**
D. Trust assets	**141,914,402.12**	**188,277,257.07**
E. Prepaid expences and deferred charges	**16,779,127.53**	**23,697,596.75**
F. Deferred taxes	**3,825,000.00**	**890,400.00**
	1,280,098,629.49	**1,712,962,739.57**

Shareholders' equity and liabilities	31/12/2000 EUR	31/12/2001 EUR
A. Shareholders' equity		
I. Subscribed capital		
1. Ordinary shares	39,600,000.00	79,200,000.00
2. Preferrence shares	39,600,000.00	0.00
	79,200,000.00	**79,200,000.00**
II. Retained capital	**7,582,537.64**	**7,582,537.64**
III. Retained profits		
1. Statutory surplus reserve	648,119.42	848,403.24
2. Other retained profit	50,180,164.28	71,950,136.84
3. Adjustment for elimination of intracompany results	-6,544,157.52	-3,551,382.48
	44,284,126.18	**69,247,157.60**
IV. Adjustment for shares of other partners	**12,249,760.97**	**21,696,571.10**
V. Unappropriated profit	**53,951,086.87**	**87,920,942.70**
	197,267,511.66	**265,647,209.04**
B. Special item with accrual character	**36,361.13**	**35,834.65**
C. Provisions and accrued liabilities		
1. Provisions for pensions and similar obligations	5,297,259.82	5,527,876.90
2. Accrued taxes	33,207,661.70	31,320,931.51
3. Other provisions and accrued liabilities	4,351,725.22	7,369,946.11
	42,856,646.74	**44,218,754.52**
D. Insurance related reserves and report		
1. Insurance related reserves for unit-linked life insurance insofar as they have to be covered by investment stock	384,912,287.22	471,294,427.71
2. Deposit liabilities resulting fromm the outward reinsurance business insofar as they have to be covered by investment stock	282,803,153.40	417,931,928.75
3. Other insurance related reserves	16,090,194.88	26,264,684.73
4. Other deposit liabilities resulting from the reinsurance business	4,523,851.09	8,263,429.55
	688,329,486.59	**923,754,470.74**
E. Liabilities		
1. Liabilities due to banks	12,859,239.04	14,658,183.77
2. Advances received	5,298,613.80	3,459,922.12
3. Trade accounts payable	51,047,601.25	60,651,939.99
4. Accounts payable	122,645,466.98	189,201,513.78
5. Other liabilities	17,793,286.36	23,017,473.30
– of which taxes EUR 2.218.841,52; previous year: EUR 1,631,037.51;		
– of which social security: EUR 1.435.321,35 previous year: EUR 1,102,725.21		
	209,644,207.43	**290,989,032.96**
F. Trust liabilities	**141,914,402.12**	**188,277,257.07**
G. Deferred profit	**50,013.82**	**40,180.59**
	1,280,098,629.49	**1,712,962,739.57**

	2000 EUR	2001 EUR
1. Sales revenue	255,777,426.72	314,084,433.75
2. Decrease in unfinished products	-21,364.33	0.00
3. Other capilised own work	3,800,000.00	6,800,000.00
4. Interest income from banking operations	8,215,603.96	13,322,130.42
5. Insurance premiums	322,590,438.16	446,609,297.67
6. Income from outward insurance business	185,357,372.28	240,367,693.56
7. Other operating income	40,639,217.65	28,710,473.27
8. Cost of materials		
a) Cost of purchased services	-114,492,678.41	-134,651,685.04
9. Personel expenses		
a) Salaries and wages	-46,217,553.63	-59,598,859.21
b) Social contributions and expenses for old age and pension benefits	-7,498,632.04	-9,491,959.70
– of which for pensions: EUR 852.172,13; previous year: EUR 818.201,96		
10. Depreciation expense		
a) Depreciation of intangible fixed assets and tangible assets, and of capitalised start-up and business expansion expenses	-10,904,479.39	-16,761,512.62
11. Other operating expenses	-144,467,816.32	-232,952,401.77
12. Expenses related to insurance reserves	-182,822,318.24	-234,205,089.26
13. Reinsurance premiums	-145,351,279.64	-181,809,335.08
14. Expenses from other investments and long-term loans	-568,845.10	0.00
15. Income from other investments and long-term loans	3,033,070.14	3,128,600.82
16. Other interest and similar income	3,136,538.45	3,624,166.00
17. Write downs on financial assets and on securities held as current assets	-73,056.25	-1,067,433.17

	2000 EUR	2001 EUR
18. Interest and similar expenditure	11,661,220.26	-14,650,524.84
19. Unrealised gains from investments	8,009,240.84	17,652,383.74
20. Unrealised losses from investments	-51,614,583.63	-38,311,499.92
21. Profit from ordinary operations	114,865,080.96	150,798,878.62
22. Taxes on income and profit	-52,945,839.56	-51,725,853.76
23. Other taxes	-65,424.39	-139,510.58
24. Net profit	61,853,817.01	98,933,514.28
25. Result carried foreward	14,443,901.71	22,766,023.48
26. Transfers to retained profits		
a) to statutory surplus reserve	-185,692.69	-200,283.83
b) to other retained profits	-17,077,939.14	-20,788,703.22
b) Adjustment for elimination of intraconpany results	-957,314.60	-2,992,775.04
27. Share of other shareholders in results for the year		
a) Profit shares	-4,605,738.40	-9,889,106.20
b) Loss shares	480,052.98	92,273.23
28. Unappropriated profit	**53,951,086.87**	**87,920,942.70**

1. Initial consolidation and consolidation methods

1.1 General disclosures on consolidation

The Company compiled consolidated financial statements pursuant to the German Commercial Code (HGB) for the first time for the year ending December 31, 1992. Equity consolidation was effected as of the date on which the subsidiaries were included in the consolidated financial statements for the first time (Section 301 (2) Sentence 1 of the German Commercial Code).

Initial equity consolidation of all companies included in the consolidated financial statements was carried out using the book value method pursuant to Section 301 (1) Sentence 1 No. 1 of the German Commercial Code provided that the principles of full consolidation applied to them.

Differences arising from initial equity consolidation were directly charged to the reserves pursuant to Section 309 (1) Sentence 3 of the German Commercial Code.

MLP-Lebensversicherung Österreich AG, Vienna, Austria is consolidated on a prorated basis using the book value method pursuant to Section 310 (2) in connection with Section 301 (1) Sentence 1 No. 1 of the German Commercial Code. The difference between the book value of the fixed equity holding and the prorated shareholders' equity arising on the date of initial consolidation is charged to the Group's retained profit.

1.2 Changes to consolidation perimeter

The equity interest held in DIGNOS EDV-GmbH, Heidelberg, was carried at equity until December 31, 2000. It was consolidated for the first time effective December 31, 1998 using the book value method.

As insolvency proceedings were commenced with respect to this company's assets in 2001 and it is currently being wound up, it was deconsolidated in 2001. Disclosure of the shareholdings pursuant to Section 313 (2) No. 4 of the German Commercial Code has been waived pursuant to Section 313 (2) No. 4 Sentence 3 of the German Commercial Code due the subordinate importance of this holding.

The equity interest held in Marschollek, Lautenschläger and Partners Private Finance plc, London, United Kingdom was consolidated for the first time in 2001 using the book value method pursuant to Section 301 (1) Sentence 1 No. 1 of the German Commercial Code. Pursuant to Section 301 (2) of the German Commercial Code, the date of initial consolidation is the date on which the shares in this subsidiary were acquired. The earnings carried forward by this company were netted directly against consolidated earnings carried forward with no effect on the income statement.

1.3 Adjustment item resulting from elimination of interim results

The consolidated financial statements for the year ending December 31, 1998 included an adjustment item resulting from the consolidation of interim results under revenue reserves for the first time. This item includes all consolidated interim gains and losses arising since the first consolidated financial statements for the year ending December 31, 1992.

This adjustment item is included to enhance transparency. As the elimination of interim results relates almost solely to consolidated software and related amortisation, it also serves as a reference to the MLP Group's development endeavours in this area.

Changes in the adjustment item resulting from the elimination of interim results is set out in the profit and loss account.

2. Accounting, valuation and currency translation methods

2.1 General disclosures

These consolidated financial statements were compiled pursuant to Section 290 et seq. of the German Commercial Code as well as the relevant provisions of the Companies Act (AktG).

The profit and loss account was compiled using the total cost method pursuant to Section 275 (2) of the German Commercial Code.

In individual cases, the classification and designation of items in the consolidated balance sheet and the consolidated profit and loss account were modified to allow for conditions peculiar to the MLP Group.

This involves items that must be shown pursuant to the accounting rules for insurance companies in the case of the annual financial statements of MLP Lebensversicherung AG, Heidelberg, MLP Versicherung AG, Heidelberg and MLP-Lebensversicherung Österreich AG, Vienna, Austria, as well as the accounting rules for banks in the case of the annual financial statements of MLP Bank AG.

Assets and debts attributable to MLP Lebensversicherung AG, Heidelberg, MLP Versicherung AG, Heidelberg, MLP-Lebensversicherung Österreich AG, Vienna, Austria, and MLP Bank AG are measured pursuant to the principles applicable to insurance companies and banks.

The reserves set aside by the subsidiaries after the date of initial consolidation are charged to the Group's reserves commensurate with the size of the equity interest held by the Group.

Intra-group receivables and liabilities are eliminated. Intra-group revenues and other income are netted against the corresponding expenses.

The consolidated financial statements and the combined Group management report have been denominated in euros since December 31, 1999. The national currencies of the companies consolidated were translated into euros at the official exchange rates fixed on January 1, 1999.

Foreign currencies are translated using the exchange rate prevailing on the date on which such receivables and liabilities arise or on the balance sheet date, whichever is the less favourable.

2.2 Disclosure of accounting and valuation methods for individual items of the balance sheet

Fixed assets that are subject to wear and tear are shown at their cost of acquisition or production less scheduled depreciation.

The cost of acquisition or production includes the portion of the invoiced value-added tax not eligible for deduction as input tax. Where applicable, depreciation is calculated on a straight-line basis over the expected useful life of the assets in question in accordance with the relevant tax rules and otherwise in accordance with commercial rules based on the following periods:

Start up and expenditure on expansion of business operations	4 years
Concessions, trademarks and similar rights and assets including licenses in such rights and assets	5 – 15 years
Administration buildings	25 years
Land improvements	15 – 25 years
Leasehold improvements	Term of the corresponding rental agreement
Fixtures and fittings	10 – 25 years
IT hardware/IT cabling	3 – 13 years
Office equipment and machines	5 –13 years
Automobiles	5 – 6 years

Minor-value assets costing up to EUR 409.03 net are written off in full in their year of acquisition and carried as disposals in their year of acquisition. Low value assets acquired in relation with the construction and finalisation of the administration building in Wiesloch are depreciated over the expected useful life.

In the case of movable fixed assets, additions in the first half of the year are written off at the full annual rate and additions in the second half of the year at half the annual rate.

The valuation of shares in associated companies is done at acquisition costs.

Securities held as long-term investments are carried under investments and shown at their cost of acquisition.

Other loans are shown at their nominal value less any necessary value adjustments.

Investments made with the unit-trust investment component of unit-linked life insurance comprise investments (in this case trust units) required to meet liabilities under (unit-linked) life insurance policies. The investment component is carried at its market value.

Receivables are shown at their nominal value less any necessary value adjustments. A general allowance was made for receivables from policyholders.

Contrary to the practice followed in the previous year, MLP Bank's receivables due from bank customers are carried as a separate item on the balance sheet. In the previous year, they were reported under trade receivables. The previous year's figures have been adjusted accordingly.

For the first time assets held in trust are reported for this financial year. Assets held in trust, which are also reported separately in the year under review, comprise trust loans granted on the Company's own behalf but for the account of two banks to customers of MLP Bank by way of financing for construction work and professional practices. The previous year's figures have been adjusted accordingly. Therefore, the report of assets held in trust is done in correspondence with the receipt.

Cash and cash equivalents are carried at their nominal value.

Deferred taxes comprise deferred tax assets netted with deferred tax liabilities. The deferred tax assets arise from the elimination of interim profit recognised in the profit and loss account and involving internally generated software. The deferred tax liabilities are primarily related to capitalised start-up and business-expansion expenses.

The pension provisions set aside to meet liabilities under the company pension scheme are calculated using an interest rate of 6% on the basis of the actuarial fractional value as defined in Section 6a of the Income Tax Act and the Dr. Klaus Heubeck mortality tables. The new mortality tables for 1998 were applied for the first time in fiscal 1999. Neccessary adjustments equalling 1/3 of the differences per year were made to provisions subject to Section 6a (4) Sentence 2 of the German Income Tax Act.

Provisions are set aside for liabilities of uncertain timing and amount as well as threatened losses in accordance with prudent business judgment.

The insurance-related provisions for life insurance and custodianship liabilities from reinsured business reported on the liabilities side of the balance sheet – in as far as the investment risk is borne by the policyholder – are equal to the aggregate individual cover capital. The cover capital comprises the trust units held as the investment component carried at their market value on the balance sheet date.

Liabilities are carried at their redemption value.

Contrary to the practice followed in the previous year, MLP-Bank's liabilities to bank customers are carried as a separate item on the balance sheet. In the previous year, they were included under trade accounts payable. The previous year's figures have been adjusted accordingly.

3. Notes on the consolidated balance sheet and consolidated profit and loss account

3.1 Notes on the consolidated balance sheet

Changes in capitalised start-up and business-expansion expenses and fixed assets as well as depreciation calculated for fiscal 2001 are set out in the gross statement of asset additions and disposals on page 94 and 95 of these notes.

The capitalised start-up and business-expansion expenses comprise MLP Versicherung AG's capitalised expenditure, which is not eligible for inclusion in the balance sheet, connected with setting up its non-life insurance business in 1998 and 2000 as well as capitalised business-expansion expenses at MLP Login GmbH in 2000. This accounting aid used pursuant to Section 269 of the German Commercial Code is written down by a scheduled one fourth per year pursuant to Section 282 of the German Commercial Code. Additional capitalised expenditure in 2001 concerns business expansion at MLP Bank AG (EUR 4.3 million) and at Marschollek, Lautenschläger and Partners Private Finance plc, London, United Kingdom (EUR 2.5 million).

Included in other assets is an entitlement for a reimbursement of corporate income tax amounting to EUR 6.6 million. This represents the reduction in corporate income tax for the suggested dividend accounted for in the financial statements.

Prepaid expenses include a discount amounting to EUR 177,500.00

The Company's subscribed capital comprises 79,200,000 ordinary shares with no par value.

At their general meeting held on May 15, 2000, the shareholders authorised the executive board to increase the Company's share capital by issuing common and/or preference shares on a cash or non-cash basis once or on multiple occasions by up to a total amount of EUR 7,920,000.00 of subscribed capital until 31 December 2004.

At an extraordinary meeting held up to November 17, 2000, the shareholders created authorised capital II. Authorised capital II stands at EUR 29,500,000.00 and may be utilised once or on multiple occasions on a non-cash basis. Subject to the supervisory board's approval, the executive board is authorised to raise the Company's share capital within 12 months after entry of such authorisation in the companies register provided that this is done no later than November 17, 2005. The authorisation was entered in the companies register on July 16, 2001.

Changes in retained profit in the year under review were as follows:

	Statutory surplus reserve EUR	Other retained profit EUR	Total EUR
1 January 2001	648,119.42	50,180,164.28	50,828,283.70
Transfers approved by shareholders at general meeting	0.00	20,700,000.00	20,700,000.00
Transfers from net profit for the year	200,283.82	88,703.22	288,987.04
Changes as a result of consolidation measures	0.00	981,269.34	981,269.34
31 December 2001	**848,403.24**	**71,950,136.84**	**72,798,540.08**

The consolidation-related changes to the statutory surplus reserve and other retained profits break down as follows:

	EUR
Deconsolidation of DIGNOS EDV-GmbH, Heidelberg	995,707.05
Other consolidation measures	- 14,437.71
	981,269.34

Changes in Group unappropriated profit in the year under review were as follows:

	31/12/2000 EUR	31/12/2001 EUR
B Previous year's unappropriated profit	**38,159,225.98**	**53,951,086.87**
Dividend payment Marschollek, Lautenschläger und Partner AG	- 23,562,000.00	- 30,888,000.00
Transfer to retained profit Marschollek, Lautenschläger und Partner AG	- 15,300,000.00	- 20,700,000.00
Transfer to retained profit MLP Lebensversicherung AG, Heidelberg	- 923,734.20	0.00
Transfer to retained profit MLP Vermögensverwaltung AG, Heidelberg	- 771,924.65	0.00
Transfer to retained profit MLP-Lebensversicherung Österreich AG, Vienna, Austria	- 82,280.29	- 88,703.22
Transfer to statutory surplus reserve MLP Lebensversicherung AG, Heidelberg	- 86,596.06	- 172,829.57
Transfer to statutory surplus reserve MLP Vermögensverwaltung AG, Heidelberg	- 96,117.87	- 11,560.08
Transfer to statutory surplus reserve MLP-Lebensversicherung AG, Vienna, Austria	- 2,978.76	- 15,894.18
Net profit for current fiscal year	61,853,817.01	98,933,514.28
Deconsolidation of MLP-Lebens-Versicherung AG, Vienna, Austria at equity	-283,764.00	0.00
Unappropriated profit carried forward MLP-Lebensversicherung AG, Vienna, Austria	- 294,129.66	0.00
Result carried forward by Marschollek, Lautenschläger and Partners Private Finance plc, London, United Kingdom	0.00	- 412,473.03
Adjustment item resulting from elimination of interim results	-957,314.60	-2,992,775.04
Minority interests	-4,125,685.52	- 9,796,832.97
Other consolidation adjustments	-163,689.83	115,409.64
Group unappropriated profit	**53,951,086.87**	**87,920,942.70**

Other provisions comprise unused vacation entitlement held by employees for 2001 (EUR 2.243 million), auditing costs (EUR 1.036 million), outstanding invoices from suppliers (EUR 0.898 million), provisions for threatened losses from pending transactions with interest currency swaps (EUR 0.411 million), contributions to the Chamber of Commerce (EUR 0.410 million), contributions to industrial compensation society (EUR 0.276 million), cancellation expenses (EUR 0.232 million), as well as other items.

Advance payments received primarily comprise liabilities of EUR 2.399 million held by MLP Lebensversicherung AG, Heidelberg under insurance business contracted directly with policyholders.

The residual terms of the liabilities carried are set out in the statements of liabilities on page 95a.

3.2 Notes on consolidated profit and loss account

Revenues break down as follows:

	2000 EUR '000	2001 EUR '000
Life insurance	136,033	190,976
Health insurance	41,971	47,924
Cash investments	48,573	46,139
Non-life insurance	16,953	14,519
Income from banking business	3,816	5,566
Other operating income	8,431	8,960
Total	**255,777**	**314,084**

Insurance premiums break down as follows:

	2000 EUR '000	2001 EUR '000
MLP Lebensversicherung AG, Heidelberg		
Gross premiums booked	275,193	366,914
Change in gross premiums carried over	- 3,604	- 267
Premiums from gross provisions for premium reimbursements	2,885	4,880
	274,474	**371,527**
MLP-Lebensversicherung Österreich AG, Vienna, Austria		
Gross premiums booked	48,116	52,004
Change in gross premiums carried over	0	- 273
	48,116	**51,731**
MLP Versicherung AG, Heidelberg		
Gross premiums booked	0	23,351
Total	**322,590**	**446,609**

Other operating expenses break down as follows:

	2000 EUR '000	2001 EUR '000
IT costs	31,198	45,291
Other insurance-related expenses	23,524	37,533
Cost of premises	14,220	18,562
Communication expenses	8,811	13,397
Training and seminars	5,199	5,584
Office supplies	4,061	5,121
Losses on the disposal of investments held by		
MLP Lebensversicherung AG, Heidelberg	23,651	59,133
MLP-Lebensversicherung Österreich AG, Vienna, Austria	2,200	7,220
Others	31,604	41,111
Total	**144,468**	**232,952**

The loss attributable to the sale of investments is neutral to the Group as they are netted out by a reduction of technical reserves.

4. Cash flow statement

The Company's financial position is illustrated using the cash flow statement below, which is based on its net financial assets as financial resources. The cash flow statement for the financial year has been prepared in accordance with the provisions of German Accounting Standard No 2.

	2000 EUR '000	2001 EUR '000
CHANGES TO NET FINANCIAL ASSETS FROM CURRENT BUSINESS OPERATIONS		
Net profit	**61,853.8**	**98,933.5**
plus (less) expenses (income) that do not reduce (increase) net financial assets		
– Capitalised expenditure on starting up and extending business operations	-3,800.0	-6,800.0
– Depreciation charges on capitalised start-up and business-expansion expenses	191.7	1,141.7
– Amortisation of intangible assets	3,090.4	5,350.2
– Depreciation of tangible assets	7,622.3	10,269.6
– Writedowns on investments	18.0	1,050.2
– Additions to tangible fixed assets	-184.1	-3.5
– Additions to investments	-1.0	-7.5
– Interest and dividends received by MLP Bank AG	6,105.5	13,322.1
– Interest paid by MLP Bank AG	-3,463.3	-8,548.3
– Allocation to (writeback of) pension provisions, net	364.4	230.6
– Losses on equity holdings in associated companies	568.8	0.0
– Gain on the pro-rata sale of consolidated companies	-10,025.6	-5,548.8
– Gains/loss on disposals of fixed assets	177.1	44.6
– Other adjustments, net	-2,642.2	-4,773.8
	-1,978.0	**5,727.1**
plus (less) reductions (increases) in short-term assets excluding cash and cash equivalents		
– Inventories	21.4	0.0
– Trade accounts receivable	-8,565.4	-5,918.2
– Amounts receivable from bank customers from banking business	-76,494.9	-66,132.0
– Accounts receivable from companies in which a fixed equity interest is held	574.8	-82.2
– Other assets	-40,373.5	-49,888.9
– Prepaid expenses and deferred charges	-10,393.5	-6,918.5
– Deferred tax assets	3,994.2	2,934.6
	-131,236.9	**-126,005.2**
plus (less) increase (reduction) in short and medium-term liabilities		
– Provisions for taxes	7,983.5	-1,886.7
– Other provisions	1,041.7	3,018.2
– Other insurance-related provisions	9,728.8	13,914.1
– Payments received on account	584.0	-1,838.7
– Trade accounts payable	7,810.8	9,604.3
– Amounts payable from customers from banking business	59,292.6	66,556.0
– Other liabilities	-9,681.0	5,199.3
– Prepaid expenses and deferred charges	-6.7	-9.8
	76,753.7	**94,556.7**
Increase in net financial assets resulting from current business operations	**5,392.6**	**73,212.6**

	2000 EUR '000	2001 EUR '000
CHANGES TO NET FINANCIAL ASSETS RESULTING FROM CAPITAL SPENDING		
– Payments received on disposal of fixed assets	222.3	59.1
– Payments made for fixed assets	-29,555.0	-33,386.8
– Disbursements for investments in intangible assets	-15,156.7	-15,936.0
– Payments received on disposal of financial assets	1,759.2	1,109.4
– Payments received from investments	-3,492.0	-8,309.8
– Payments received from the pro-rata disposal of consolidated companies	10,037.9	5,560.0
Decrease in net financial assets resulting from capital spending	**-36,184.3**	**-50,904.1**
CHANGES TO NET FINANCIAL ASSETS RESULTING FROM PECULIARITIES OF CURRENT INSURANCE OPERATIONS		
– Allocation to cover reserves	180,216.3	221,510.9
– Unrealised gains from investments	-8,009.2	-17,652.4
– Unrealised losses from investments	51,614.6	38,311.5
Increase in net financial assets resulting from insurance-related business operations	**223,821.7**	**242,170.0**
CHANGES TO NET FINANCIAL ASSETS FROM INSURANCE-RELATED CAPITAL SPENDING		
– Disbursements on additions to investments made with the investment component	-1,963,627.5	-2,412,799.3
– Payments received on disposal of investments made with the investment component	1,739,698.2	2,122,272.5
– Gains on the sale of investments made with the investment component	-25,725.5	-17,996.4
– Losses on the sale of investments made with the investment component	25,833.1	66,353.2
Decrease in net financial assets resulting from insurance-related capital spending	**-223,821.7**	**-242,170.0**
CHANGES TO NET FINANCIAL ASSETS FROM FINANCING OPERATIONS		
– Dividend payment made by Marschollek, Lautenschläger und Partner AG	-23,562.0	-30,888.0
– Dividend payment made by MLP Lebensversicherung AG, Heidelberg	-228.6	-260.8
– Payments received under bank loans	3,118.7	3,110.2
– Payments made to the cancellation reserve provision	42.7	24.4
Decrease in net financial assets resulting from financing operations	**-20,629.2**	**-28,014.2**
CHANGES TO NET FINANCIAL ASSETS RESULTING FROM CONSOLIDATION		
– Reconciliation item in connection with the initial consolidation of Marschollek, Lautenschläger and Partners Private Finance plc, London, United Kingdom	0.0	-412.4
– Reconciliation item in connection with the initial consolidation of MLP-Lebensversicherung AG, Vienna, Austria	334.9	0.0
Decrease in net financial assets	**-51,086.0**	**-6,118.1**
Cash and cash equivalents at the end of the fiscal year	34,662.1	28,613.8
Short-term securities held at the end of the fiscal year	28,798.3	27,417.3
Short-term bank loans and overdrafts at the end of the fiscal year	1,662.1	350.9
Cash and cash equivalents at the beginning of the fiscal year	73,934.3	34,662.1
Short-term securities held at the beginning of the fiscal year	39,851.0	28,798.3
Short-term bank loans and overdrafts at the beginning of the fiscal year	901.0	1,662.1
	-51,086.0	**-6,118.1**

Income tax payments came to EUR 58,946,528.70 during the financial year.

Liquid funds correspond to the balance sheet item “cash in hand and on deposit with the Bundesbank and other banks”. Short-term securities correspond to the balance sheet item “securities”. Short-term bank loans and overdrafts are liabilities that are due within less than a year

5. Reporting by division

5.1 General disclosures

The report by division is based on the standards of the German Accounting Standards Committee (German abbreviation: DRSC).

Reference is made to the table on reporting by division that is found on page 90, 91 of this appendix.

Marschollek, Lautenschläger und Partner AG has the following operating divisions subject to disclosure: Finanzdienstleistungen consultation and sales, Lebensversicherung (Life Insurance), Sachversicherung (Non-life Insurance) as well as Bank & Vermögensverwaltung (Bank & Asset Management).

The operating divisions of the individual companies comprise the MLP Group. The divisions subject to disclosure constitute strategic areas of Group business, which differ in terms of their services, products and regulatory setting.

The consultation and sales division provides consulting services to customers, especially with respect to insurance coverage, investments and financing of all kinds, and brokers agreements on these financial services. This division consists of MLP Finanzdienstleistungen AG in Heidelberg, Marschollek, Lautenschläger and Partners Private Finance plc in London, United Kingdom and MLP Media GmbH Verlag und Werbeagentur.

The range of products and services provided by the Life Insurance division comprises various types of life insurance policies, capitalisation transactions and the management of pension-saving schemes. The Life Insurance division consists of MLP Lebensversicherung AG in Heidelberg and of MLP-Lebensversicherung Österreich AG in Vienna, Austria, which is consolidated on a prorated (50%) basis.

The business operations of the Non-life Insurance division cover the development and operation of property and casualty insurance policies. This division is composed of MLP Versicherung AG.

The business covered by the Bank & Asset Management division includes financial portfolio management, loan and credit card business, consulting services in connection with investment decisions regarding trust units and the design and organisational implementation of new financial products for the MLP Group. This division consists of MLP Bank AG and MLP Vermögensverwaltung AG.

The item other divisions is composed of MLP Login GmbH.

In fiscal 2000, other divisions additionally comprised MLP Media GmbH Verlag und Werbeagentur and MLP Consult GmbH. In 2001, MLP Media GmbH Verlag und Werbeagentur was assigned to the consultation and sales division due to organisational changes made to controlling operations. On the other hand, MLP Consult GmbH was not assigned to any operating division as it was no longer engaged in any business operations and is therefore included in the reconciliation column. The previous year's figures were not adjusted as neither company performs any material business operations.

To the extent that a division consists of more than one company, interrelationships have been eliminated by way of consolidation.

The various accounting and valuation principles that are used essentially correspond to those applied to the consolidated financial statements.

Goods and services provided within a division are as a matter of principle invoiced at normal market prices. In the case of Group transfer payments, an appropriate supplemental overhead charge is added to the individual costs that were actually incurred.

5.2 Notes on reported divisional information

Revenues of the Life Insurance division and of the Non-life Insurance division essentially include insurance contributions and income from reinsured business. The revenues from the Bank & Asset Management division include interest and commission income.

Earnings by division correspond to earnings on ordinary business activity.

Depreciation/amortisation includes both the scheduled and non-scheduled diminution in the value of intangible assets, fixed assets, investments and securities held as current assets. Other non-cash items include additions, own work capitalised, depreciation charges on capitalised start-up and business-expansion expenses, and changes in pension provisions. For accounting purposes, the interest expenditure incurred by the Bank & Asset Management division constitutes expenditure on materials. For ease of comparison, this expenditure item is included under the item "interest expenses". There was no income from other fixed equity holdings as defined by Section 271 (1) of the German Commercial Code in 2000 and 2001.

Assets include fixed and current assets including equity holdings in associated companies as well as assets held in trust. Payments made on account, assets under construction and loans are not included under assets.

Capital investment in long-term assets refers to the acquisition costs of additions and transfers to intangible assets and tangible assets as well as the acquisition costs of additions and transfers to shares in affiliated companies and securities held as long-term investments. Payments made on account and assets under construction are not included in long-term assets. Contrary to the previous year, the acquisition costs of transfers within the item "capital investment in long-term assets" are also contained in this item in order to include investments reported in previous years under payments made on account and assets under construction. The corresponding figures for fiscal 2000 have not been adjusted on account of their subordinate importance in that year.

Debts consist of provisions, liabilities and liabilities held in trust. Special tax-allowable reserves are included in liabilities up to 50%.

Assets and liabilities held in trust were reported under assets or liabilities for the first time in 2001 to reflect the peculiarities of banking business within the MLP Group. The previous year's figures have been adjusted accordingly.

Cash flow is derived from net profit for the year adjusted for depreciation/amortisation, other non-cash items and earnings from equity interests in associated companies of MLP Finanzdienstleistungen AG. The calculation of the cash flow for the consultation and sales division is based on net profit before profit transfers.

The Consultation and Sales, Non-life Insurance, Bank & Asset Management divisions as well as other divisions are engaged in business activities almost solely in Germany. In addition, the consultation and sales division includes operations in Switzerland, Austria, the Netherlands and the United Kingdom.

The Life Insurance division is engaged in business activities outside Germany to a material extent. For this reason, revenues, assets and capital investment in long-term assets are broken down geographically.

	Life Insurance	
	2000 EUR '000	2001 EUR '000
Revenues generated with third parties	511,237	657,283
of which in Germany	442,115	583,883
of which in the rest of Europe	69,122	73,400
Assets	767,846	1,012,030
of which in Germany	669,996	889,756
of which in the rest of Europe	97,850	122,274
Capital investment in long-term assets	4,160	8,624
of which in Germany	3,652	8,437
of which in the rest of Europe	508	187

5.3 Notes on reconciled amounts

As a matter of principle, the sum total of the information by division, such as revenues generated with third parties, division results, assets, capital investment in long-term assets and debts differs from the corresponding financial statements reported by the Group to the extent of consolidation entries and the value of Marschollek Lautenschläger und Partner AG and of MLP Consult GmbH.

5.4 Additional disclosures on the Life Insurance and Non-life Insurance divisions

	Life Insurance		Non-life Insurance	
	2000 EUR '000	2001 EUR '000	2000 EUR '000	2001 EUR '000
Gross premiums reported from insurance business transactions with external third parties	323,387	418,917	0	23,296
of which in Germany	275,193	366,914	0	23,296
of which in the rest of Europe	48,194	52,003	0	0
from insurance business transactions with other divisions	0	0	0	51
of which in Germany	0	0	0	51
of which in the rest of Europe	0	0	0	0
Earned premiums (net)	175,718	246,186	0	14,711
Gains/losses on investments	3,593	-42,586	0	0
Miscellaneous insurance-related income (net)	459	159	0	0
Expenditure on insurance claims (net)	-9,016	-7,246	0	-10,497
Expenditure on premium refunds (net)	-6,071	-7,044	0	0
Insurance operating expenses (net)	-28,631	-39,904	0	-2,022
Miscellaneous insurance-related expenses (net)	-15,338	-22,812	0	-23
Intangible assets	3,817	4,465	2,813	1,712
Investments	20,399	33,538	0	4,300
of which in Germany	16,946	29,565	0	4,300
of which in the rest of Europe	3,453	3,973	0	0
Investments on behalf of the holders of life insurance policies	667,715	889,226		
Insurance-related provisions (net)	16,076	22,238	0	4,008
Insurance-related provisions in the life insurance segment to the extent that the investment risk is borne by policyholders	384,912	471,294		
Other debt	371,026	525,270	4,151	2,770

Direct insurance business contracted in connection with property and casualty insurance in the Non-life Insurance division commenced on January 1, 2001.

Intangible assets do not include payments made on account. No goodwill exists.

Investments include securities and deposits with banks.

Other debts include non-insurance-related provisions, custodianship liabilities from reinsured insurance business and other liabilities.

5.5 Additional disclosures on the bank

The following additional information only referrs to the bank segment (excluding asset management):

	Bank 2000 EUR '000	Bank 2001 EUR '000
Net interest income	2,536	4,599
Risk provisioning	-616	-954
Net commission income	7,778	10,789
Administrative expenditure	-9,716	-19,156
Earnings after risk provisioning	318	652
Assets	137,081	204,206
Liabilities	131,501	199,365
Risk items	157,146	225,957
Allocated capital	9,916	15,487
Return on allocated capital	2.09 %	3.69%
Cost/income ratio	0.91	0.92

Net interest income is the balance of interest income and interest expenditure.

Risk provisioning consists of individual and general allowances on receivables and allocations to provisions in the lending business. No risk provisions were formed pursuant to Section 340 et seq. of the German Commercial Code.

Net commission income is the balance of commission income and commission expenses.

The bank did not engage in any financial trading transactions.

Administrative expenditure includes staff expenses and other administrative expenses.

Earnings after risk provisioning comprise the sum total of net interest income, risk provisioning, net commission income, administrative expenditure and of the balance of other operating expenses and income.

Assets include cash reserves as well as amounts receivable from banks and customers.
Liabilities include bank loans and overdrafts and liabilities to customers.

Supervisory risk exposure items exclusively involve assets at risk. Assets at risk include balance sheet assets and off-balance sheet transactions (Section 19 (1) of the German Banking Act).

Allocated capital comprises the amount of shareholders' equity carried on the balance sheet.

The return on allocated capital is the ratio of the division earnings to the allocated capital.

The cost/income ratio is the quotient of administrative expenditure and current net income (net interest income, net commission income, net other operating income).

6. Other disclosures

6.1 Other financial commitments not stated in the balance sheet

The following liabilities under rental and leasing contracts existed on the balance sheet date:

	2002 EUR '000	2003 EUR '000	2004 EUR '000	Following years EUR '000	Total EUR '000
Maintenance contract	425	-	-	-	425
IT equipment	12,817	7,668	2,127	3	22,615
License agreements	870	-	-	-	870
Outsourced IT facilities	22,014	6,123	826	-	28,963
Branch office rents	18,611	18,014	16,838	14,362	67,825
	54,737	31,805	19,791	14,365	120,698

In addition, there exist liabilities under guarantees and sureties of EUR 8,965,219.74 and irrevocable loan commitments of EUR 5,244,756.75.

Moreover, work on the 2nd phase of construction on the Wiesloch project commenced. The resultant liabilities will amount to approx. EUR 40 million through to completion of the fixtures and fittings required to operate an office.

Two interest rate swap agreements were entered into in August 1999 to hedge what is considered to be the favourable long-term interest rate in connection with financing the new construction project in Wiesloch. This was a so-called payer swap, in which Marschollek, Lautenschläger und Partner AG is the fixed-rate payer. The key data of the swaps are as follows as follows:

	1st agreement	2nd agreement
Date signed	12 August 1999	12 August 1999
Commencement of term	15 January 2001	16 July 2001
End of term	17 January 2011	17 January 2011
Nominal amount in EUR	30,000,000.00	20,000,000.00
Fixed-rate payer	Marschollek, Lautenschläger und Partner AG	Marschollek, Lautenschläger und Partner AG
Fixed interest rate	5.9 %	6.0 %
Variable rate	EURIBOR	EURIBOR
Payable	half-yearly	half-yearly

Owing to the difference between the interest payments to be made on the basis of fixed interest rates and the interest payments based on variable interest rates, the Company has a net payment surplus of EUR 500,710.00 for the financial year.

Funds are to be borrowed at EURIBOR rates up to an amount equalling the underlying reference value of the interest-rate swap to finance the second phase of the construction process. The interest on the bond or borrower's note loan can then be paid from the interest received by MLP AG on the interest rate swap from MLP Bank AG since both interest payment flows are based on EURIBOR. The two payment flows thus offset each other, with the fixed-interest rate remaining to be paid. As rates are expected to increase on fixed-interest loans, it was possible to hedge the long-term interest rate that applied in August 1999, which was considered to be a favourable one. As of the balance sheet date both agreements are carried at negative market values of EUR 3,259,831.00. The agreements are directly connected to the planned financing of the construction project.

6.2 Executive board, supervisory board

Total remuneration of current members of the executive board (Section 314 (1) No. 6 a and b of the German Commercial Code) amounted to EUR 6,428,335.10 for fiscal 2001.

Emoluments for the supervisory board came to EUR 94,312.50 in fiscal 2001.

6.3 Disclosure of the number of employees

In 2001, the average number of staff calculated pursuant to Section 267 (5) of the German Commercial Code came to 1,625 persons; of these, 1,407 were full-time and part-time employees, 68 were on maternity leave and 445 comprised side-line employees or temporary staff. In addition to this, 117 persons on average were undergoing training.

6.4 Shareholder breakdown

The shareholder breakdown can be found on pp. 92 and 93.

Heidelberg, March 22, 2002

The executive board

Dr. Bernhard Termühlen	Eugen Bucher	Gerhard Frieg

Segment Reporting

(in EUR ´000)

	Consulting and sales		Life assurance		Non-life Insurance	
	2001	**2000**	**2001**	**2000**	**2001**	**2000**
Third party revenues	270,377	208,874	657,283	511,237	39,106	8,689
Intra-segment revenues	108,419	82,598	0	0	0	0
Segment results	118,495	88,116	14,294	9,183	2,767	-131
Depretiation	-12,305	-10,978	-1,389	-1,636	-1,762	-1,678
Other non-cash items	2,420	135	-104	-100	-691	1,707
Interest income	683	593	1,070	1,014	875	1
Interest expense	-4,199	-1,768	-14,319	-8,744	-40	-9
Result of investments in associated companies	0	0	0	0	0	0
Assets	186,009	130,134	1,012,030	767,846	12,013	7,387
Capital expenditures on non-current assets	19,827	14,073	8,624	4,160	569	938
Liabilities	183,109	127,356	1,020,237	774,713	5,929	4,151
Cash flow	126,077	97,948	10,417	6,471	4,643	123

Banking & Asset management		Other segments		Total		Adjustments		Group	
2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
47,618	43,141	0	0	1,014,384	771,941	0	0	1,014,384	771,941
4,360	676	0	599	112,779	83,873				
10,436	8,169	-338	-1,876	145,654	103,461	5,145	11,404	150,799	114,865
-428	-239	-1,543	-376	-17,427	-14,907	740	4,121	-16,687	-10,786
4,381	-235	-500	2,000	5,506	3,507	-79	111	5,427	3,618
13,474	8,247	129	257	16,231	10,112	715	1,240	16,946	11,352
-8,984	-6,005	-704	-338	-28,246	-16,864	5,047	489	-23,199	-16,375
0	0	0	-569	0	-569	0	0	0	-569
421,399	300,252	14,943	8,018	1,646,394	1,213,637	18,260	4,725	1,664,654	1,218,362
1,830	503	5,472	3,287	36,322	22,961	44,284	-6,458	80,606	16,503
411,608	293,876	18,633	10,228	1,639,516	1,210,324	-192,259	-127,561	1,447,257	1,082,763
2,919	4,525	1,679	-3,881	145,735	105,186	-35,541	-35,596	110,194	69,590

Affiliated companies

Company	Book value of the holding 1/1/2001	Addition	Disposal/ writedown
	EUR	EUR	EUR
MLP Finanzdienstleistungen AG, Heidelberg	10,225,837.62	–.–	–.–
MLP Lebensversicherung AG, Heidelberg	1,331,044.45	–.–	11,727.76
MLP Vermögensverwaltung AG, Heidelberg	1,278,485.35	–.–	–.–
MLP Bank AG, Heidelberg	11,029,296.51	5,000,000.00	–.–
MLP Login GmbH, Heidelberg	193,268.33	–.–	–.–
MLP Versicherung AG, Heidelberg	3,375,218.09	–.–	–.–
MLP Private Finance Correduria de Seguros, S.A., Madrid, Spain[1]	60,101.21	–.–	–.–
Marschollek, Lautenschläger and Partners Private Finance plc, London, United Kingdom	80,115.37	–.–	–.–
MLP Consult GmbH, Heidelberg	3,333,623.05	–.–	1,233,623.05
MLP Media GmbH Verlag und Werbeagentur, Heidelberg	25,564.59	–.–	–.–
Total associated companies			

[1] Not included in the consolidated financial statements according to section 296 Abs. 2 Satz 1 HGB due to its low significance

Companies consolidated on a prorated basis

Company	1/1/2001	Addition	Disposal
	EUR	EUR	EUR
MLP-Lebensversicherung AG, Vienna, Austria	2,183,756.20	–.–	–.–
Total of all companies			

Book value of the holding 31/12/01	Subscribed capital	Shares	Net profit/ net loss (-)	Minority interests (profit)	Minority interests (loss)
EUR	EUR		EUR	EUR	EUR
10,225,837.62	6,000,000.00	100.00 %	–.–	–.–	–.–
1,319,316.69	15,000,000.00 (of wich payed in: 5.413.277,23)	a) Ordinary shares: 50 % + 60 shares b) non-voting preference shares: 28.2134 %	8,372,453.85	4,915,827.51	–.–
1,278,485.35	3,000,000.00	50.01 %	6,301,482.73	3,150,111.22	–.–
16,029,296.51	15,000,000.00	50.01 %	571,171.01	285,528.41	–.–
193,268.33	255.645,94	50.40 %	-364,030.26	–.–	92,273.23
3,375,218.09	16,500,000.00 (of wich payed in: 4,508,468.91)	50.40 %	2,189,794.67	1,086,139.11	–.–
60.101,21	60.102,00	99.90 %	–.–	–.–	–.–
80,115.37	80,115.37	100.00 %	-1,892,640.64	–.–	–.–
2,100,000.00	2,045,167.52	100.00 %	-510,446.79	–.–	–.–
25,564.59	25,564.59	100.00 %	–.–	–.–	–.–
				9,437,606.25	92,273.23

31/12/2001	Subscribed capital	Shares	Net profit/ net loss (-)	Minority interests (profit)	Minority interests (loss)
EUR	EUR		EUR	EUR	EUR
2,183,756.20	6,543,000.00 (of wich payed in: 4,362,814.97)	20.64287 %	1,536,902.33	451,499.95	–.–
				9,889,106.20	92,273.23

Movements on start-up and business expenses and non-current assets in 2001

				Acquisition costs
	01/01/2001	First time consolidation of MLP Private Finance plc, London, Great Britain de-consolidation of DIGNOS EDV-GmbH	01/01/2001	Additions
	EUR	EUR	EUR	EUR
A. Start-up and business expansion expenses	**4,566,937.82**	**0.00**	**4,566,937.82**	**6,800,000.00**
B. Non-current assets				
I. Intangible assets				
1. Consessions, trademarks and similar rights and values and licences for such rights and values	25,409,589.77	560.68	25,410,150.45	6,071,253.86
2. On-account payments	11,282,303.79	0.00	11,282,303.79	9,864,316.27
	36,691,893.56	**560.68**	**36,692,454.24**	**15,935,570.13**
II. Property, plant and equipment				
1. Land, similar rights and buildings Including buildings on leasehold land	36,358,379.31	0.00	36,358,379.31	5,050,427.89
2. Other equipment, factory and office fixtures and fittings	46,148,217.55	46,222.70	46,194,440.25	15,063,693.09
3. On-account payments and construction in progress	25,423,303.66	170,361.50	25,593,665.16	13,057,885.36
	107,929,900.52	**216,584.20**	**108,146,484.72**	**33,172,006.34**
III. Financial assets				
1. Share in associated companies	0.00	0.00	0.00	60,101.21
2. Investments	0.00	1,564,553.15	1,564,553.15	0.00
3. Investments in associated companies	1.00	-1.00	0.00	0.00
4. Securities in non-current assets	25,106,701.88	0.00	25,106,701.88	8,249,693.74
5. Other loans	243,856.10	0.00	243,856.10	0.00
6. Investments in investment reserve funds	667,715,440.62	0.00	667,715,440.62	2,412,799,320.52
	693,065,999.60	**1,564,552.15**	**694,630,551.75**	**2,421,109,115.47**
	837,687,793.68	**1,781,697.03**	**839,469,490.71**	**2,470,216,691.94**

Disposals	Reclassifications	31/12/2001	01/01/2001	First time consolidation of MLP Private Finance plc, London, Great Britain de-consolidation of DIGNOS EDV-GmbH	01/01/2001
EUR	EUR	EUR	EUR	EUR	EUR
0.00	**0.00**	**11,366,937.82**	**383,468.82**	**0.00**	**383,468.82**
530,352.38	8,330,780.47	39,281,832.40	13,094,239.71	74.21	13,094,313.92
0.00	-8,330,780.47	12,815,839.59	0.00	0.00	0.00
530,352.38	**0.00**	**52.097,671.99**	**13,094,239.71**	**74.21**	**13,094,313.92**
19,500.04	30,013,655.27	71,402,962.43	12,197,668.43	0.00	12,197,668.43
1,627,553.62	7,766,214.05	67,396,793.77	27,717,439.25	1,776.82	27,719,216.07
0.00	-37,779,869.32	871,681.20	0.00	0.00	0.00
1,647,053.66	**0.00**	**139,671,437.40**	**39,915,107.68**	**1,776.82**	**39,916,884.50**
0.00	0.00	60,101.21	0.00	0.00	0.00
0.00	0.00	1,564,553.15	0.00	568,845.10	568,845.10
0.00	0.00	0.00	0.00	0.00	0.00
1,056,872.76	0.00	32,299,522.86	16,936.60	0.00	16,936.60
52,480.53	0.00	191,375.57	0.00	0.00	0.00
2,170,629,288.48	0.00	909,885,472.66	0.00	0.00	0.00
2,171,738,641.77	**0.00**	**944,001,025.45**	**16,936.60**	**568,845.10**	**585,781.70**
2,173,916,047.81	**0.00**	**1,135,770,134.84**	**53,026,283.99**	**570,696.13**	**53,596,980.12**

Depreciations/Write-ups				Book values	
Additions	Disposals	Reclassifications	31/12/2001	31/12/2001	31/12/2000
EUR	EUR	EUR	EUR	EUR	EUR
1,141,734.00	**0.00**	**0.00**	**1,525,202.82**	**9,841,735.00**	**4,183,469.00**
5,350,170.41	522,586.54	0.00	17,921,897.79	21,359,934.61	12,315,350.06
0.00	0.00	0.00	0.00	12,815,839.59	11,282,303.79
5,350,170.41	**522,586.54**	**0.00**	**17,921,897.79**	**34,175,774.20**	**23,597,653.85**
3,501,237.06	4,535.22	3,480.00	15,690,890.27	55,712,072.16	24,160,710.88
6,768,371.15	1,546,496.64	0.00	32,941,090.58	34,455,703.19	18,430,778.30
0.00	0.00	0.00	0.00	871,681.20	25,423,303.66
10,269,608.21	**1,551,031.86**	**3,480.00**	**48,631,980.85**	**91,039,456.55**	**68,014,792.84**
0.00	0.00	0.00	0.00	60,101.21	0.00
995,708.05	0.00	0.00	1,564,553.15	0.00	0.00
0.00	0.00	0.00	0.00	0.00	1.00
54,493.88	0.00	7,485.63	63,944.85	32,235,578.01	25,089,765.28
0.00	0.00	0.00	0.00	191,375.57	243,856.10
38,311,499.93	0.00	17,652,383.73	20,659,116.20	889,226,356.46	667,715,440.62
39,361,701.86	**0.00**	**17,659,869.36**	**22,287,614.20**	**921,713,411.25**	**693,049,063.00**
54,981,480.48	**2,073.618.40**	**17,663,349.36**	**88,841,492.84**	**1.046,928,642.00**	**784,661,509.69**

Decompositions of liabilities as of December 31, 2001

	EUR '000	Within 1 year EUR '000	Due 1 to 5 years EUR '000	More than 5 years EUR '000
Liabilities owned to banks	14,658.2	350.9	1,471.2	12,836.1
Advance received	3,459.9	3,459.9	0.0	0.0
Trade accounts payable	60,651.9	60,651.9	0.0	0.0
Accounts payable	189,201.6	188,069.2	447.0	685.4
Other liabilities	23,017.4	22,487.2	530.2	0.0
	290,988.0	**275,019.1**	**2,448.4**	**13,521.5**

Decompositions of liabilities as of December 31, 2000

	EUR '000	Within 1 year EUR '000	Due 1 to 5 years EUR '000	More than 5 years EUR '000
Liabilities owned to banks	12,859.2	1,662.1	2,214.1	8,983.0
Advance received	5,298.6	5,298.6	0.0	0.0
Trade accounts payable	51,047.6	51,047.6	0.0	0.0
Accounts payable	122,645.4	121,811.1	152.9	681.4
Other liabilities	17,793.2	17,287.5	505.7	0.0
	209,644.0	**197,106.9**	**2,872.7**	**9,664.4**

"We have audited the annual financial statements, together with the bookkeeping system, and the management report of Marschollek, Lautenschläger und Partner AG for the business year from January 1 to December 31, 2001. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with section 317 HGB ("German Commercial Code") and the standards generally accepted in Germany for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the resentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the internal control system relating to the accounting system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion. Our audit has not led to any reservations. In our opinion, the annual financial statements give a true and fair view of the net assets, financial position and results of operations of Marschollek, Lautenschläger und Partner AG in accordance with German principles of proper accounting. On the whole the management report provides a suitable understanding of the Company's position and suitably presents the risks of future development."

The auditor's report is awarded in accordance with the legal requirements and principles of the duly reporting of financial statements (IDW PS 450).

In the case of a publication or circulation of the annual financial statements and/or the management report in a form different from the existing version (including the translation into other languages) our opinion is required anew insofar as the auditor's report is quoted or referred to; with reference to section 328 HGB.

Düsseldorf, March 22, 2002

Rölfs WP Partner AG
Wirtschaftsprüfungsgesellschaft

Georg van Hall	Thomas Budde
German certified auditor	German certified auditor

Assets	31/12/2000 EUR	31/12/2001 EUR
A. Fixed assets		
I. Intangible assets		
1. Concessions, trademarks and similar rights and assets including licenses in such rights and assets	0.00	9,554.00
	0.00	**9,554.00**
II. Tangible fixed assets		
1. Land, land rights and buildings, including buildings on land owned by others	18,277,300.56	48,219,438.32
2. Other factory and office equipment	1,928,154.14	12,897,213.60
3. Payments made on account and assets under construction	24,973,232.60	436,659.26
	45,178,687.30	**61,553,311.18**
III. Investments		
1. Shares in affiliated companies	19,737,476.89	18,492,126.08
2. Loans to affiliated companies	3,656,459.40	8,656,459.40
3. Securities held as long-term investments	13,500,000.00	13,500,000.00
4. Other loans	243,856.10	191,375.57
	37,137,792.39	**40,839,961.05**
	82,316,479.69	**102,402,826.23**
B. Current assets		
I. Accounts receivable and other assets		
1. Receivables from affiliated companies	112,582,667.11	161,498,466.83
2. Other assets - of which maturing in more than one year EUR 0.00 previous year: EUR 2,045,167.52	2,788,787.99	9,894,323.58
	115,371,455.10	**171,392,790.41**
II. Securities		
1. Other securities	10,110,285.64	0.00
	10,110,285.64	**0.00**
III. Cash in hand and on deposit with banks	21,018,947.59	10,126,323.62
	146,500,688.33	**181,519,114.03**
C. Prepaid expenses and deferred charges	**187,500.00**	**204,100.47**
	229,004,668.02	**284,126,040.73**

Equity and liabilities	31/12/2000 EUR	31/12/2001 EUR
A. Shareholders' equity		
I. Subscribed capital		
1. Ordinary shares	39,600,000.00	79,200,000.00
2. Non-voting preferred shares	39,600,000.00	0.00
	79,200,000.00	**79,200,000.00**
II. Capital reserve	7,582,537.64	7,582,537.64
III. Retained profit		
1. Statutory surplus reserve	337,462.36	337,462.36
2. Other retained profit	50,012,173.04	70,712,173.04
	50,349,635.40	**71,049,635.40**
IV. Unappropriated profit	51,600,690.42	77,920,018.19
	188,732,863.46	**235,752,191.23**
B. Provisions		
1. Provisions for pensions	3,741,221.00	3,816,314.00
2. Provisions for taxes	25,919,699.35	23,059,491.54
3. Other provisions	903,200.00	2,108,600.00
	30,564,120.35	**28,984,405.54**
C. Liabilities		
1. Trade accounts payable	2,132,198.25	2,046,775.08
2. Amounts owed to affiliated companies	4,455,205.17	13,204,000.70
3. Other liabilities	3,120,280.79	4,138,668.18
- of which social-security levies EUR 6,281.72 previous year: EUR 3.663,69		
- of which for taxes EUR 120,440.77 previous year: EUR 348,693.66		
	9,707,684.21	**19,389,443.96**
	229,004,668.02	**284,126,040.73**

	2000 EUR	2001 EUR
1. Other operating income	11,916,159.03	11,741,862.13
2. Personnel expenses		
a) Salaries and wages	-3,219,708.05	-4,067,917.86
b) social contributions and expenses for old		
age pensions and benefits of which for pensions:	-300,011.55	-315,866.70
EUR 280,183.55; previous year: 276,464.53		
3. Depreciation		
a) depreciation on intangible and tangible fixed assets	-1,227,765.26	-3,170,665.38
4. Other operating expenses	-7,635,605.63	-8,632,610.49
5. Income from investments	1,207,995.09	270,222.95
– of which from related companies:		
EUR 270,222.95 previous year: EUR 1,207,995.09		
6. Income from Profit and Loss transfer agreements	87,104,822.20	116,581,813.46
7. Income from other investments and long-term loans	695,838.28	1,172,715.22
– of which from related companies:		
EUR 315,572.37 previous year: EUR 138,695.43		
8. Other interest and similar income	4,212,336.56	6,367,669.11
– of which from related companies:		
EUR 5,833,429.00 previous year: EUR 2,390,203.97		
9. Write downs on financial assets and securities held as current assets	0.00	-1,233,623.05
10. Interest and similar expenses	-613,234.40	-1,861,695.40
– of which from related companies:		
EUR 569,702.84 previous year: EUR 456,910.26		
11. Profit from ordinary operations	92,140,826.27	116,851,903.99
12. Taxes on income and profit	-40,559,731.17	-38,909,488.95
13. Other taxes	-49,774.76	-35,087.27
14. Net profit	51,531,320.34	77,907,327.77
15. Profit carried forward from previous year		
a) Net earnings from previous year	38,931,370.08	51,600,690.42
b) Divided distribution	-23,562,000.00	-30,888,000.00
	15,369,370.08	20,712,690.42
16. Transfer to other retained profit	-15,300,000.00	-20,700,000.00
17. Unappropriated retained profit	**51,600,690.42**	**77,920,018.19**

1. Accounting, valuation and currency translation methods

1.1. General disclosures

These consolidated financial statements were prepared pursuant to Section 242 et seq. and Section 264 et seq. of the German Commercial Code (HGB) as well as the relevant provisions of the Companies Act (AktG). The Company is a large corporation as defined in Section 267 (3) of the German Commercial Code.

The balance sheet is prepared according to the appropriation of the profit for the year.

On 5 September 1992, a management and profit transfer agreement was signed between Marschollek, Lautenschläger and Partner Aktiengesellschaft and MLP Finanzdienstleistungen Aktiengesellschaft pursuant to Section 291 of the Companies Act. This agreement was approved by the shareholders of Marschollek, Lautenschläger and Partner Aktiengesellschaft and MLP Finanzdienstleistungen Aktiengesellschaft on 17 June 1993 and entered in the companies register responsible for MLP Finanzdienstleistungen Aktiengesellschaft on 15 December 1993.

The profit and loss account was prepared using the total cost method pursuant to Section 275 (2) of the German Commercial Code.

Corporation tax is calculated on the basis of the proposed profit appropriation.

Receivables and liabilities denominated in foreign currencies are translated using the exchange rate prevailing on the date on which such receivables and liabilities arise or on the balance sheet date, whichever is the less favourable.

1.2. Disclosure of accounting and valuation methods for individual items of the balance sheet

Tangible and intangible assets are carried at their cost of acquisition less scheduled amortization or depreciation.

The cost of acquisition includes the portion of the invoiced value-added tax not eligible for deduction as input tax.

Depreciation is calculated on a straight-line basis over the expected useful life of the assets in question in accordance with the relevant tax rules using the following periods:

Concessions, trademarks and similar rights and assets including licenses in such rights and assets	5 years
Administration buildings	25 years
Land improvements	15 – 25 years
Fixtures and fittings	10 – 25 years
IT hardware/IT cabling	3 – 13 years
Office equipment and machines	5 – 13 years
Automobiles	5 – 6 years

In the case of movable fixed assets, additions in the first half of the year are written off at the full annual rate and additions in the second half of the year at half the annual rate.

Movable assets with acquisition costs of up to EUR 409.03 are written off in full in their year of acquisition and reported as disposals. Minor-value assets acquired in connection with the construction and completion of the administration building in Wiesloch are written down over their expected useful lives.

Shares in affiliated companies, loans to affiliated companies as well as securities held as long-term investments are shown at their cost of acquisition less any necessary value adjustments.

Other loans are shown at their nominal value less any necessary value adjustments.

Receivables and other assets are carried at their nominal value.

Cash and cash equivalents are carried at their nominal value.

In fiscal year 1999, use was made of an option provided for in Section 250 (3) of the German Commercial Code to carry a discount on a loan agreement with the MLP-Bank AG as a prepaid expense. This discount was valued at EUR 177,500.00 as of the balance-sheet date.

The pension provisions set aside to meet liabilities under the company pension scheme are calculated using an interest rate of 6% on the basis of the actuarial fractional value as defined in Section 6a of the Income Tax Act and the Dr. Klaus Heubeck mortality tables. The new mortality tables for 1998 have been applied since fiscal year 1999. Adjustments equalling one third of the differences were made to provisions subject to Section 6a (4) Sentence 2 of the Income Tax Act.

Provisions are set aside for liabilities of uncertain timing and amount as well as threatened losses in accordance with prudent business judgment.

Liabilities are carried at their redemption value.

2. Notes on balance sheet and profit and loss account

2.1. Notes on balance sheet

Changes in fixed assets as well as the depreciation/amortization arising in fiscal year 2001 are set out on page 116, 117 of this appendix.

Other assets include EUR 6.6 million in the form of claims for reimbursement of corporation tax. This represents the reduction in corporate income tax for the suggested dividend accounted for in the financial statements.

The Company's subscribed capital comprises 79,200,000 ordinary shares with no par value.

Authorised capital I stands at EUR 7,920,000.00 as at 31 December 2001. This capital was authorised by the shareholders at the annual general meeting of 15 May 2000 and may be utilised until 31 December 2004.

At an extraordinary meeting held on 17 November 2000, the shareholders created authorised capital II. Authorised capital II stands up to EUR 29,500,000.00 and may be utilised once or on multiple occasions on a non-cash basis. Subject to the supervisory board's approval, the management board is authorised to raise the Company's share capital within 12 months after entry of such authorisation in the companies register provided that this is no later than 17 November 2005. The authorisation was entered in the companies register on 16 July 2001.

The development of the capital reserve was as follows in financial years 2001:

	2000 EUR	2001 EUR
1 January	65,648,633.06	7,582,537.64
Withdrawal	-58,066,095.42	0
31 December	7,582,537.64	7,582,537.64

The declared statutory surplus reserve and the retained capital according to section 272 (2) N° 1 HGB reached 10 percent of subscribed capital. An addidition appropriation to the statutory surplus reserve is therefore not undertaken (section 150 (2) Companies Act).

Other retained profit:

	2000 EUR	2001 EUR
1 January	36,046,077.62	50,012,173.04
Addition	15,300,000.00	20,700,000.00
Withdrawal	-1,333,904.58	0.00
31 December	50,012,173.04	70,712,173.04

At their annual general meeting on May 28, 2001, the shareholders approved a transfer to the other retained profit.

The unappropriated profit changed as a result of the profit appropriation resolution and the net profit for 2001 as follows:

	2000 EUR	2001 EUR
Unappropriated profit on 1 January	38,931,370.08	51,600,690.42
Dividend payment	-23,562,000.00	-30,888,000.00
Transfer to retained profit	-15,300,000.00	-20,700,000.00
Net profit for current year	51,531,320.34	77,907,327.77
Unappropriated profit on 31 December	51,600,690.42	77,920,018.19

Other provisions and accrued liabilities mainly include provisions for outstanding receipts (EUR 864.1 thousand), imminent losses from pending business in relation with interest rate swops (EUR 411.0 thousand), IHK-fees (EUR 410.0 thousand) as well as audit expenses (EUR 310.0 thousand).

The decomposition of securities as well as maturities of liabilities is shown in the schedule of liabilities on page 115 of the notes to the financial statements.

The liabilities due to associated companies include a liability amounting for EUR 5,000,000.00 of the MLP Bank AG. Mence, a relation to the item liabilities due to banks arise.

2.2. Notes on the profit and loss account

Other operating income primarily entails rental income from leasing the administration building, Forum 7, in Heidelberg as well as at Alte Heerstrasse 40, Wiesloch, and income from the sale of shares in MLP Lebensversicherung AG to external staff members of the MLP Finanzdienstleistungen AG.

Writedowns on investments comprise solely non-scheduled writedowns pursuant to Section 253 (2) Sentence 3 of the German Commercial Code.

In view of the corporation and trade-tax group arrangements with MLP Finanzdienstleistungen Aktiengesellschaft, the Company's tax expenses include both companies' corporation and trade tax. There was no prorated onward charge to MLP Finanzdienstleistungen Aktiengesellschaft due to the profit transfer agreement.

There are trade-tax group arrangements in force with the other subsidiaries of Marschollek, Lautenschläger und Partner Aktiengesellschaft. Trade tax liability is offset with the subsidiaries by means of group transfer payments.

3. Cash flow statement

The Company's financial position is illustrated using the cash flow statement below, which is based on its net financial assets as financial resources.

	2000 EUR '000	2001 EUR '000
CHANGE IN NET FINANCIAL ASSETS FROM CURRENT OPERATIONS		
Net profit	**51,531.3**	**77,907.3**
plus (less) expenses (income) that do not decrease (increase) Net financial assets		
– Amortisation of intangible assets	0.0	1.4
– Writedowns on investments	0.0	1,233.6
– Depreciation on tangible fixed assets	1,227.8	3,169.2
– Additions to property, plant and equipment	-184.1	0.0
– Allocation to pension provisions, net	71.5	75.1
– Gains on disposals of fixed assets	-10,031.9	-5,548.4
– Losses from the disposal of fixed assets	74.7	12.3
	-8,842.0	**-1,056.8**
plus (less) decrease (increase) in short-term assets Excluding cash holdings		
– Accounts receivable from affiliated companies	-58,435.3	-48,371.0
– Other assets	375.7	-7,105.5
– Capitalised prepaid expenses and deferred charges	10.0	-16.6
	-58,049.6	**-55,493.1**
plus (less) increase (decrease) in short-term liabilities		
– Provisions for taxes	3,413.0	-2,860.2
– Other provisions	352.7	1,205.4
– Trade accounts payable	902.3	-85.4
– Liabilities towards affiliated companies	-381.0	8,204.0
– Other liabilities	-1,231.7	1,018.4
	3,055.3	**7,482.2**
Cash flow from current operations	**-12,305.0**	**28,839.6**
CHANGE IN NET FINANCIAL ASSETS RESULTING FROM CAPITAL SPENDING		
– Disbursements for investments in fixed assets	-18,755.6	-19,600.0
– Disbursements for investments in financial assets	-1,326.8	-5,000.0
– Payments received on disposal of fixed assets	10,772.2	5,645.5
Cash flow from capital spending	**-9,310.2**	**-18,954.5**
Carried forward:	**-21,615.2**	**9,885.1**

	2000	2001
	EUR '000	**EUR '000**
Amount carried forward:	**-21,615.2**	**9,885.1**
CHANGE IN NET FINANCIAL ASSETS RESULTING FROM FINANCING		
– Dividend payout	-23,562.0	-30,888.0
Cash flow from financing	**-23,562.0**	**-30,888.0**
Decrease in net financial assets	**-45,177.2**	**-21,002.9**
Liquid funds at the end of the financial year	21,018.9	10,126.3
Short-term securities at the end of the financial year	10,110.3	0.0
Liquid funds at the beginning or the financial year	50,803.7	21,018.9
Short-term securities at the end of the financial year	25,502.7	10,110.3
	-45,177.2	**-21,002.9**

Corporate taxes for the financial year amounted to EUR 52,766,588.40.

Net financial assets includes the position “cash on hand, deposits with banks” and other securities accounted on “other securities”.

4. Other notes

4.1. Other financial commitments not shown on the face of the balance sheet

Work on the second phase of construction plans for our Wiesloch facility commenced in 2001. The resultant liabilities will amount to approx. EUR 40 million through to final completion.

Two interest rate swap agreements were signed in August 1999 to hedge the long-term interest rate, considered to be a favourable one, in connection with planned financing of the individual phases of work on our new construction project in Wiesloch. This was a so-called payer swap in which MLP AG is the fixed-rate payer.

The key data of the swaps are as follows as follows:

	1st agreement	2nd agreement
Date signed	12. August 1999	12. August 1999
Commencement of term	15. January 2001	16. July 2001
End of term	17. January 2011	17. January 2011
Nominal amount in EUR	30,000,000.00	20,000,000.00
Fixed-rate payer	MLP AG	MLP AG
Fixed interest rate	5.9 %	6.0 %
Variable interest rate	EURIBOR	EURIBOR
Payable	half-yearly	half-yearly

Owing to the difference between the interest payments to be made on the basis of fixed interest rates and the interest payments based on variable interest rates, the company has a net payment surplus of EUR 500,710.00 for the financial year.

To finance the second phase of construction a bond or borrower's note loan is to be issued at the EURIBOR rate for the amount on which the interest rate swap agreement is based. The interest on the bond or borrower's note loan can then be paid from the interest received from the interest rate swap by MLP AG from the MLP Bank AG since both interest payment flows are based on EURIBOR. The two payment flows thus offset each other, with the fixed-interest rate remaining to be paid. As rates are expected to increase on fixed-interest loans, it was possible to hedge the long-term interest rate that applied in August 1999, which was considered to be a favourable one. As of the balance sheet date both agreements show negative market values amounting to EUR 3,259,831.00. The agreements are directly connected to the planned financing of the construction project.

4.2. Supervisory and executive boards

The members of the executive board are:

Dr. Bernhard Termühlen, Gaiberg
Chairman and CEO MLP AG
Group: Planning, Strategy, Controlling, Accounting, Financial statements, IT, Corporate communication

Eugen Bucher, Bammental
Head of Financing and Investment on the executive board

Gerhard Frieg, Heidelberg
Head of Life Insurance and Health Insurance on the executive board

The following member(s) also sit(s) on the supervisory boards of the following companies

Dr. Bernhard Termühlen
Chairman of the supervisory board of MLP Bank AG
Chairman of the supervisory board of MLP Versicherung AG
Member of the supervisory board of MLP-Lebensversicherung AG, Vienna

The members of the supervisory board are:

Manfred Lautenschläger, Gaiberg,
Chairman of the supervisory board

Gerd Schmitz-Morkramer, Munich,
Deputy chairman
General partner and management board spokesman of the Munich-based private bank
Merck Finck & Co., private bankers

Maria Bähr, Sandhausen
Departmental head at MLP Finanzdienstleistungen AG, Heidelberg

Dietmar Hopp, Walldorf

Norbert Kohler, Oftersheim,
Departmental head at MLP Finanzdienstleistungen AG, Heidelberg and
MLP Lebensversicherung AG, Heidelberg

Christian Strenger, Frankfurt

The members of supervisory board simultaneously sit on the following statutory supervisory boards:

Manfred Lautenschläger:
MLP Finanzdienstleistungen AG, Heidelberg, chairman of the supervisory board
MLP Lebensversicherung AG, Heidelberg, chairman of the supervisory board
MLP Vermögensverwaltung AG, Heidelberg, chairman of the supervisory board
MLP-Lebensversicherung AG, Vienna, deputy chairman of the supervisory board until 24 April 2001, thereafter chairman Mannheimer AG Holding, Mannheim, member of the supervisory board

Gerd Schmitz-Morkramer:
CM 99206 Vermögensverwaltungs-AG, Munich, chairman of the supervisory board
Merck Finck Private Equity Beteiligungs-AG, Munich, chairman of the supervisory board
Merck Fink Treuhand AG, Frankfurt am Main, chairman of the supervisory board
YOC! AG, Berlin, chairman of the supervisory board
Merck Finck Invest Kapitalanlagegesellschaft, mbH, deputy chairman of the supervisory board
Mannheimer Versicherung AG, Mannheim, deputy chairman of the advisory committee
Taurus Investment Group, Florida, member of the advisory committee
Erste BdW Beteiligungsverwaltungsgesellschaft für die deutsche Wirtschaft mbH & Co. KG, Frankfurt am Main, member of the executive committee
Beteiligungsgesellschaft für die deutsche Wirtschaft mbH, Frankfurt am Main, deputy chairman of the executive committee

Dietmar Hopp:
SAP AG, Walldorf, chairman of the supervisory board
ACTRIS AG, Frankfurt

Christian Strenger:
BASF Coatings AG, Münster
DWS Investment GmbH, Frankfurt
The Germany Funds, New York, chairman of the supervisory board
Incepta plc, London
Metro AG, Düsseldorf
Fraport AG, Frankfurt

Total remuneration of the executive board in fiscal year 2001 came to EUR 3,347,302.50.

Total remuneration of the supervisory board in fiscal year 2001 came to EUR 94,312.50.

4.3. Disclosure of the number of employees

The average number of people employed during the fiscal year was 7.

4.4. Relations with affiliated companies

The shareholder breakdown was as follows as on 31 December 2001:

Direct shareholdings:

Name, registered office	Book value of holding 01/01/2001 EUR	Addition EUR
MLP Finanzdienstleistungen Aktiengesellschaft, Heidelberg	10,225,837.62	-
MLP Lebensversicherung Aktiengesellschaft, Heidelberg	1,331,044.45	-
MLP Vermögensverwaltung Aktiengesellschaft, Heidelberg	1,278,485.35	-
MLP Versicherung Aktiengesellschaft, Heidelberg	3,375,218.09	-
MLP Consult GmbH, Heidelberg	3,333,623.05	-
MLP Login GmbH. Heidelberg	193,268.33	-

[1] A profit transfer agreement is in force.
[2] Ordinary no-par-value shares accounted for 50% of the total plus 60, non-voting preference shares 28.2134%.
[3] This is a writedown on the holding.

Indirect shareholdings:

Name	registered office
MLP Bank Aktiengesellschaft (Wholly-owned subsidiary of MLP Vermögensverwaltung AG	Heidelberg
MLP-Lebensversicherung Aktiengesellschaft (50% subsidiary of MLP Lebensversicherung AG Heidelberg)	Vienna, Austria
MLP Media GmbH (Wholly-owned subsidiary of MLP Finanzdienstleistungen AG)	Heidelberg
Marschollek, Lautenschläger and Partners Private Finance plc (Wholly-owned subsidiary of MLP Finanzdienstleistungen AG)	London, United Kingdom
MLP Private Finance Correduria de Seguros S.A. (Wholly-owned subsidiary of MLP Finanzdienstleistungen AG)	Madrid, Spain

[4] There is a profit transfer agreement with MLP Finanzdienstleistungen AG.
[5] The company did not begin operating until 2002.

Disposal EUR	Book value of holding 31/12/2001 EUR	Share %	Shareholders' equity on 31/12/2001 EUR	Net profit /loss EUR
-	10,225,837.62	100.00	10,225,837.62	- [1]
11,727.76	1,319,316.69	41.29 [2]	27,448,487.34	8.372.453,85
-	1,278,485.35	50.01	14,395,630.03	6.301.482,73
-	3,375,218.09	50.40	19,617,492.78	2.189.794,67
1,233,623.05 [3]	2,100,000.00	100.00	2,128,388.63	-510.446,79
-	193,268.33	50.40	-749,496.20	-364,030.26

Share %	Shareholders' equity on 31/12/2001 EUR	Net profit /loss EUR
100.00	15,487,417.86	571,171.01
50.00	7,336,738.54	1,536,902.33
100.00	25,788.72	- [4]
100.00	-2,305,113.64	-1,892,640.64
99,90	60,101.21	- [5]

5. Proposed allocation of profit

Pursuant to section 170 (2) 2 Aktiengesetz (Companies Act), the management board proposes to allocate the unappropriated profit of EUR 77,920,018.19 reported in the financial statements dated 31 December 2001 as follows:

	31/12/2001 EUR
Dividend payout to shareholders	39,600,000.00
Transfer to other retained profit	38,300,000.00
Profit carried forward	20,018.19
Unappropriated profit	77,920,018.19

Heidelberg, March 22, 2002

Marschollek, Lautenschläger und Partner Aktiengesellschaft
The management board

Dr. Bernhard Termühlen | Eugen Bucher | Gerhard Frieg

Schedule of liabilities as at December 31, 2001

Liability (type)	EUR '000	With a residual term of up to 1 year EUR '000	1 to 5 years EUR '000	more than 5 years EUR '000
Trade liabilities[1]	2,046.8	2,046.8	0.0	0.0
Amounts owed to affiliated companies[2]	13,204.0	8,204.0	1,176.5	3,823.5
Other liabilities	4,138.6	4,138.6	0.0	0.0
	19,389.4	14,389.4	1,176.5	3,823.5

[1] The usual vendors' liens apply

[2] A land charge in favour of MLP Bank AG in the amount of EUR 4,999,412.01 has been entered in title register no. 7866 of the property in Wiesloch in connection with the loan of EUR 5,000,000.00 granted by MLP Bank AG.

Schedule of liabilities as at December 31, 2000

Liability (type)	EUR '000	With a residual term of up to 1 year EUR '000	1 to 5 years EUR '000	more than 5 years EUR '000
Trade liabilities[1]	2,131.2	2,131.2	0.0	0.0
Amounts owed to Affiliated companies[2]	4,455.2	0.0	882.4	4,117.6
Other liabilities	3,120.3	3,120.3	0.0	0.0
	9,706.7	5,251.5	882.4	4,117.6

[1] The usual vendors' liens apply

[2] A land charge in favour of MLP Bank AG in the amount of EUR 4,999,412.01 has been entered in title register no. 7866 of the land of the property in Wiesloch in connection with the loan of EUR 5,000,000.00 granted by MLP Bank AG. Amounts receivable from and payable to affiliated companies are added together for each company and shown as a total sum of accounts receivable or accounts payable. In fiscal year 2000, amounts payable to MLP Bank AG broke down as follows:

Loans	EUR 5,000,000.00
Netting accounts	EUR - 544,794.83
	EUR 4,455,205.17

Statement of asset movements in fiscal 2001

Disposals	Cost of acquisition			
	As of 01/01/2001 EUR	Additions EUR	Disposals EUR	Transfers EUR
I. Intangible assets Concessions, trademarks and similar Rights and assets including licenses in such rights and assets	0.00	11,024.03	0.00	0.00
	0.00	**11,024.03**	**0.00**	**0.00**
II. Tangible fixed assets 1. Land, land rights and buildings, including buildings on land owned by others	25,473,225.78	11,484,553.98	10,323.58	20,467,277.64
2. Other assets and office equipment	3,537,608.62	7,667,720.62	88,476.46	4,505,954.96
3. Payments made on account and assets under construction	24,973,232.60	436,659.26	0.00	- 24,973,232.60
	53,984,067.00	**19,588,933.86**	**98,800.04**	**0.00**
III. Investments				
1. Shares in affiliated companies	19,737,476.89	0.00	11,727.76	0.00
2. Loans to affiliated companies	3,656,459.40	5,000,000.00	0.00	0.00
3. Securities held as long-term investments	13,500,000.00	0.00	0.00	0.00
4. Other loans	243,856.10	0.00	52,480.53	0.00
	37,137,792.39	**5,000,000.00**	**64,208.29**	**0.00**
	91,121,859.39	**24,599,957.89**	**163,008.33**	**0.00**

	Depreciation				Book values	
As of 31/12/2001 EUR	As of 01/01/2001 EUR	Additions EUR	Disposals EUR	As of 31/12/2001 EUR	31/12/2001 EUR	31/12/2000 EUR
11,024.03	0.00	1,470.03	0.00	1,470.03	9,554.00	0.00
11,024.03	**0.00**	**1,470.03**	**0.00**	**1,470.03**	**9,554.00**	**0.00**
57,414,733.82	7,195,925.22	2,003,201.23	3,830.95	9,195,295.50	48,219,438.32	18,277,300.56
15,622,807.74	1,609,454.48	1,165,994.12	49,854.46	2,725,594.14	12,897,213.60	1,928,154.14
436,659.26	0.00	0.00	0.00	0.00	436,659.26	24,973,232.60
73,474,200.82	**8,805,379.70**	**3,169,195.35**	**53,685.41**	**11,920,889.64**	**61,553,311.18**	**45,178,687.30**
19,725,749.13	0.00	1,233,623.05	0.00	1,233,623.05	18,492,126.08	19,737,476.89
8,656,459.40	0.00	0.00	0.00	0.00	8,656,459.40	3,656,459.40
13,500,000.00	0.00	0.00	0.00	0.00	13,500,000.00	13,500,000.00
191,375.57	0.00	0.00	0.00	0.00	191,375.57	243,856.10
42,073,584.10	**0.00**	**1,233,623.05**	**0.00**	**1,233,623.05**	**40,839,961.05**	**37,137,792.39**
115,558,808.95	**8,805,379.70**	**4,404,288.43**	**53,685.41**	**13,155,982.72**	**102,402,826.23**	**82,316,479.69**

"We have audited the annual financial statements, together with the bookkeeping system, and the management report of Marschollek, Lautenschläger und Partner AG for the business year from January 1 to December 31, 2001. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with section 317 HGB ("German Commercial Code") and the standards generally accepted in Germany for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures.
The effectiveness of the internal control system relating to the accounting system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion. Our audit has not led to any reservations. In our opinion, the annual financial statements give a true and fair view of the net assets, financial position and results of operations of Marschollek, Lautenschläger und Partner AG in accordance with German principles of proper accounting. On the whole the management report provides a suitable understanding of the Company's position and suitably presents the risks of future development."

The auditor's report is awarded in accordance with the legal requirements and principles of the duly reporting of financial statements (IDW PS 450).

In the case of a publication or circulation of the annual financial statements and/or the management report in a form different from the existing version (including the translation into other languages) our opinion is required anew insofar as the auditor's report is quoted or referred to; with reference to section 328 HGB.

Düsseldorf, March 22, 2002

Rölfs WP Partner AG
Wirtschaftsprüfungsgesellschaft

G. van Hall Thomas Budde

Georg van Hall
German certified auditor

Thomas Budde
German certified auditor

Cost of materials

Item “8. Cost of materials” in the consolidated profit and loss account primarily comprises the commissions paid by MLP Finanzdienstleistungen AG to its Financial Consultants.

Income from reinsured business

In the consolidated profit and loss account, item “6. Income from reinsured business” contains all income generated by MLP Lebensversicherung AG, MLP-Lebensversicherung AG, Vienna and MLP Versicherung AG from reinsurance business. The total income figure comprises the reinsurer’s share in the insurance benefits, its share in the increase in underwriting reserves and in the reinsurance commission.

Insurance-related provisions and custodianship liabilities

These are carried under “D. Insurance-related provisions and custodianship liabilities” on the consolidated balance sheet. These provisions are regularly set aside to comply with the future liabilities of an insurance company towards its policyholders. Custodianship liabilities arising from reinsured business contain that part of the overall provisions that has been ceded to reinsurers. At MLP, the bulk of the insurance-related provisions and custodianship liabilities comprises the investments made with the unit-trust investment component of unit-trust policies.

Investment component

The investment component is carried on the consolidated balance sheet under “B IV. Investments with the unit-trust investment component of unit-linked life insurance”. It comprises the trust units held by the insurance company on behalf of policyholders under the terms of the unit-trust policy. As capital gains and losses on these investments accrue in full to the policyholders, provisions of the same amount are set aside under “D. 1. Insurance-related provisions of unit-linked life insurance insofar as they are required to be covered by the unit-trust investment component” and “D. 2. Custodianship liabilities from reinsured business insofar as they are required to be covered by the unit-trust investment component”.

Premium income

The consolidated profit and loss account shows premium income under “5. Insurance premiums”. This item includes premium income received by MLP Lebensversicherung AG, MLP-Lebensversicherung AG, Vienna and MLP Versicherung AG and comprises gross premiums booked, changes in the balance of gross premiums carried forward as well as premiums from the gross provision for premium reimbursements. The gross premiums booked comprise premiums invoiced by the insurance company in the fiscal year regardless of whether part of the premium relates to the following year. Those portions of the premiums relating to the following year are treated in the proper manner as a prepaid item in the case of changes to the gross premiums carried forward. Premiums from the gross provision for premium reimbursements are portions of the premiums that are financed from the surplus sharing payable to policyholders.

Realised gains on investments, realised losses on investments

Through the sale of shares of investments made with the unit-trust investment component of unit-trust-policies, realised gains or realised losses occur. In the consolidated profit and loss account the realised gains are carried under item “7. Other operating income“, the realised losses unter item “11. Other operationg expenses”. The offsetting position is booked unter item “12. Expenses related to insurance reserves“. Accordingly, these transactions are not recognised as income for MLP.

Reinsurance

As a means of enhancing efficiency, an insurance company typically passes part of the risks it has assumed on to another insurance company. This is known as reinsurance.

Unit-trust policy

The unit trust policy is a unit-linked life or pension insurance policy. With this form of insurance, the “savings premiums” are directly invested in trust units/shares in mutual funds (in German: “Investmentfondsanteile”). The policyholder benefits directly and fully from the appreciation of the underlying trust units. Accordingly, no fixed capital endowment is guaranteed in advance with this type of policy. Only the amount payable upon death is guaranteed.

The advantage of this form of insurance is that the policyholder is able to modify his or her investment strategy during the term of the policy, benefits in full from the performance of the underlying investments and can invest in a far higher proportion of equities than is permissible with conventional forms of life insurance.

Unrealised capital gains on investments, unrealised capital losses on investments

Pursuant to statutory requirements, the investments made with the unit-trust investment component of unit-trust policies must be carried at their market value, i.e. the trust unit prices prevailing on the balance sheet date. Capital gains and losses on trust units that were already held at the beginning of the fiscal year are carried under items “19. Unrealised gains from investments” or “20. Unrealised losses from investments” on the consolidated profit and loss account. The offsetting entry is booked under item “12. Expenses from the increase in insurance-related provisions” on the consolidated profit and loss account. Accordingly, these transactions are not recognized as income for MLP.

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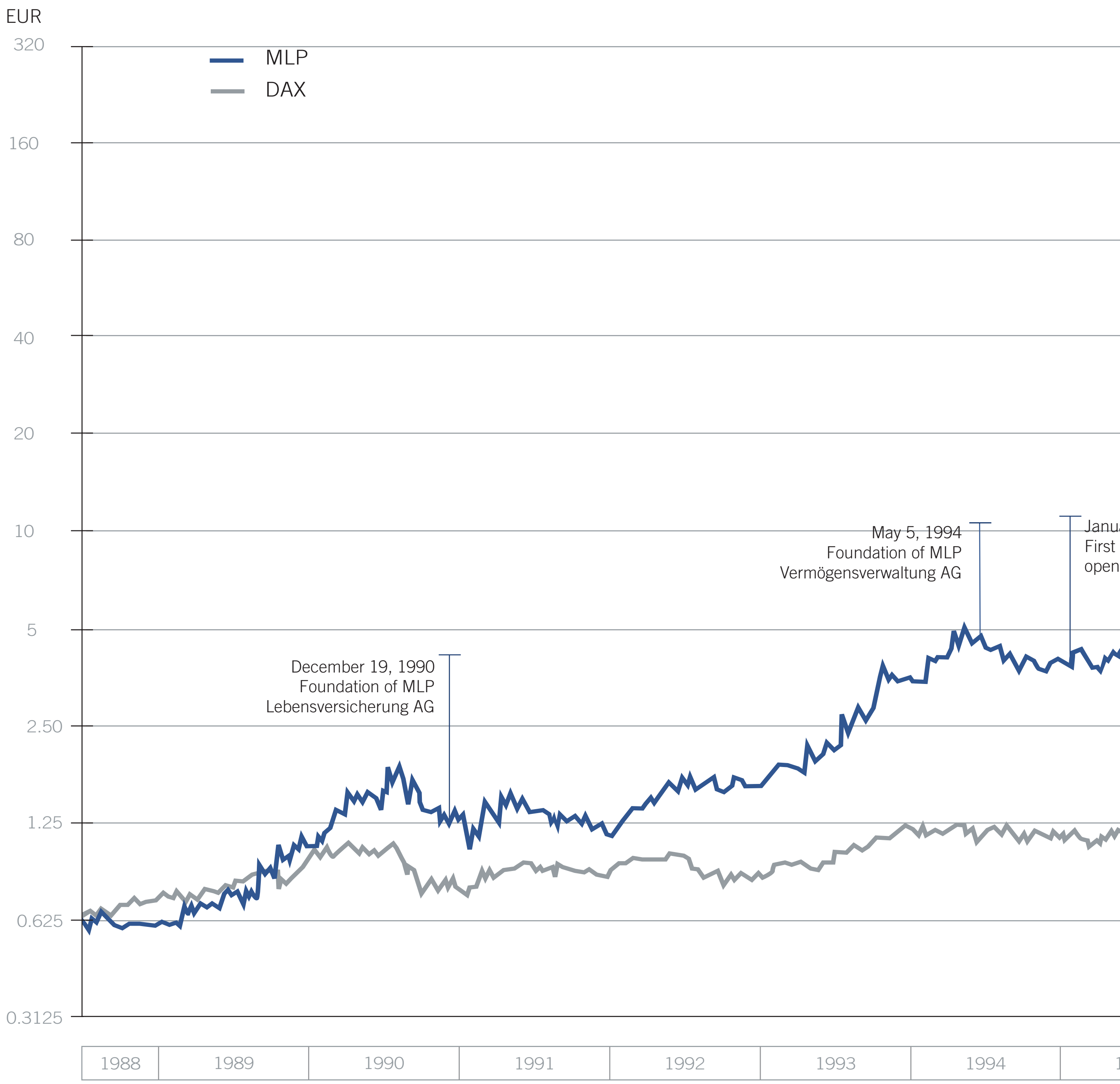
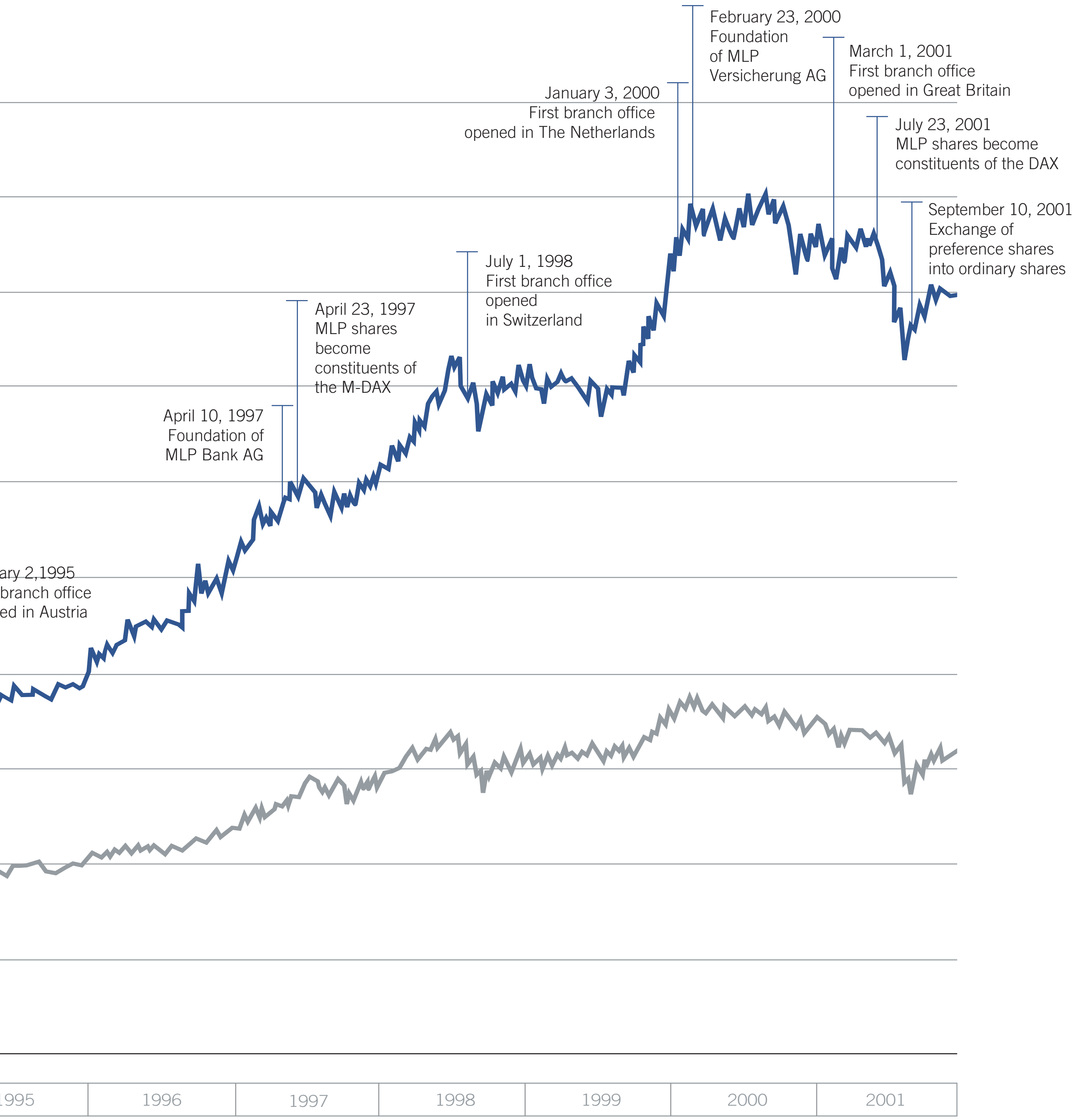
MLP SHARE PERFORMANCE SINCE IPO ON JUNE 15, 1988




February 23, 2000
Foundation
of MLP
Versicherung AG
March 1, 2001
First branch office
opened in Great Britain
January 3, 2000
First branch office
opened in The Netherlands
July 23, 2001
MLP shares become
constituents of the DAX
September 10, 2001
Exchange of
preference shares
into ordinary shares
July 1, 1998
First branch office
opened
in Switzerland
April 23, 1997
MLP shares
become
constituents of
the M-DAX
April 10, 1997
Foundation of
MLP Bank AG
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branch office
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1996
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2001

CALENDAR OF FINANCIAL EVENTS

Annual report press conference 2002	April 9, 2002
DVFA-analyst conference	April 9, 2002
1st quarter results	May 21, 2002
General meeting of shareholders 2002	May 28, 2002
Half-yearly results	August 14, 2002
9-month results 2002	November 15, 2002
Preliminary results 2002	February 2003
Annual report press conference 2003	April 2003
DVFA-analyst conference	April 2003
General meeting of shareholders 2003	June 2003

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