

Annual Report 2000

Private Finance by  MLP



MLP's concept is simple: Quality, performance, responsibility and personal advice

MLP in figures in million euro	2000	1999	Change in %
MLP Group			
Sales revenues	816.4	542.7	50.4
Earnings before tax income	114.8	76.7	50.4
Net income	61.9	40.3	53.4
Equity*	165.9	134.7	23.3
Return on equity in %	37.3	29.9	24.7
Cash flow	69.9	50.1	39.5
Employees	3,101	2,394	29.5
MLP AG			
Earnings before tax and income	92.1	71.1	29.7
Net income	51.5	38.9	32.4
Equity*	157.8	137.2	15.0
Return on equity %	32.6	28.4	14.7
Balance sheet total	229.0	198.5	15.4
Per share in euro:			
Dividend ordinary share	0.38	0.295	28.8
Dividend preference share	0.40	0.30	33.3
DVFA result	0.65	0.49	32.7
Total dividend	30.9	23.6	30.9

* Adjusted by dividend payments

Intelligent financial management for each stage of life

MLP Private Finance integrates different banking and insurance services in a financial concept designed for each customer. The combination of personal advice with the unique online finance provides MLP clients with an individual, strategic financial solution for each stage in their lives. This makes MLP a leader in Europe for consultation services aimed at sophisticated graduates and private clients alike.

Table of contents



Group

- 4 Letter to the shareholders
- 6 Supervisory board report
- 10 Investor relations
- 13 Financial calendar



Director's report

- 16 Director's report MLP Group and MLP AG



Corporate strategy

- 40 Current direction



Annual accounts

MLP Group

- 46 Balance sheet
- 48 Profit and loss accounts
- 50 Group annex for the business year 2000

MLP AG

- 78 Balance sheet
- 80 Profit and loss
- 81 Annex for the business year 2000

Dear shareholders,

The year 2000 was an important, and at the same time, extremely successful business year for your company. We have once again surpassed our objectives and forecasts, some of them very significantly. But most importantly, we have moved on with the expansion of our unique position in the markets. While other market participants experienced downturns in business as a follow-on effect from external factors, MLP grew by more than 50 percent. MLP continues to grow, unhindered by external influences as a

result of the uniqueness of its concept and the quality of its consultation services. It is therefore difficult to compare MLP directly with other companies. These very different courses of development show that MLP has achieved a level of growth stability which can only be achieved by very few companies worldwide.



Dr. Bernhard Termühlen
CEO MLP AG

Group revenues increased by 50 percent from 542.7 to over 816.4 million euro. The net group earnings also increased by some 50 percent from 76.3 to 114.8 million euro and for the AG by 30 percent to 92 million euro. All company divisions contributed to this growth. The producing subsidiaries once again increased their contribution to the results impressively.

The MLP concept is to build up a partnership with its' customers when they are young, when they are approaching the end of their academic studies, are starting to orient themselves, and are starting out on their careers. As a consultant in the financial services field you need to be particularly skilled to convince highly educated and very critical young people at this stage in their lives of ones' own abilities. MLP will continue to grow as these clients get older, and their insurance coverage, provisional and financial wealth requirements increase with their rising income. MLP supplies exactly the right concept for each individual client. In doing so, MLP does not use a standardised framework, but instead "builds" personal solutions based upon top-quality consultation services and online brokerage across the various financial sectors. We call this symbiosis "Private Finance". The year 2000 was also very important because the full benefits of this next stage in our corporate development strategy were implemented in the market: the combination of personal consultation with the communication opportunities offered by the Internet, the implementation of today's highest consultation standards with totally individualised and personal concepts, and, last but not least, the decision to "dismantle" third-party products in order to design individual concepts adapted specifically to the needs of every single client. We have won some 70,000 new clients and now support over 370,000 sophisticated customers, mostly with an academic degree, with more than 2,000 consultants.

Last year was the worst year experienced by many sectors for a long time on the stock market, but in spite of this the MLP shares remained attractive to investors. Since January 2000 the ordinary share price has increased by some 80 percent and the preference share price by some 60 percent.

MLP will continue to pursue the rigorous concept of quality: with existing clients and the increasingly high number of new customers, with its' resilience to external influences and political decisions, with its' highly qualified financial consultants and its' concept of Private Finance and, last but not least, with its successful international expansion. With this in mind, we set our course for the future in the second half of the fiscal year. At an extraordinary shareholders' meeting you, our shareholders, voted with an overwhelming majority of 99.95 percent of ordinary shareholders and 99.65 percent of preferred shareholders in favour of giving the management board the mandate to adapt the capital structure to the course of future business. In the future there will no longer be two different types of share, and in the future MLP AG will maintain 100 percent of the shares in all of its' subsidiaries. In this way we create an additional prerequisite for further growth. The annulment of these resolutions by two so-called "professional shareholders" with minor holdings is hindering the implementation of this resolution. We will return to this issue in detail in another section, but let me say this for now: the shareholders' instructions will be implemented.

Whatever the outcome we are extremely well prepared for future challenges in the years to come. Our and your company is in excellent shape. We are pleased that in the last ten years, the MLP share performance has generated by far the greatest shareholder value for our shareholders in Germany. We already know that the year 2001 will be another good year for us and we are pleased that you will have just as much pleasure with your MLP as we shall!

Best regards
B. Termühlen

Dr. Bernhard Termühlen
Chief Executive Officer

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 five meetings held on April 6th, May 15th, September 20th, 30th and November 17th respectively. They also received written and verbal reports and held individual meetings with the managing board. Fundamental business policy issues at MLP AG as a strategic holding company were discussed with the managing board. The supervisory board made itself available to the managing board throughout the entire course of the year. The supervisory board also held detailed discussions with the managing board concerning issues of strategic corporate planning, particularly the corporate internationalisation and the Internet strategy as well as measures for changing the capital and holding structures. Measures which required supervisory board approval were approved subsequent to thorough examination and consideration.



Manfred Lautenschläger
Chairman of the supervisory board
MLP AG

The year-end accounts, that is, the group year-end accounts presented by the managing board have been audited by Röf's WP Partner AG, Wirtschaftsprüfungsgesellschaft (auditing company) who were able to express an unqualified auditor's opinion. The supervisory board has examined the year-end accounts and the group year-end accounts, did not raise any objections, and thus ratified them accordingly. The proposed appropriation of earnings submitted by the managing board has been approved.

Dirk Petersmann left the MLP AG managing board as at December 31st 2000. The supervisory board would like to express its thanks to Dirk Petersmann for the long and successful working relationship.

The supervisory board also thanks the managing board and all MLP Group companies and employees for their committed and once again extremely successful work in the year 2000.

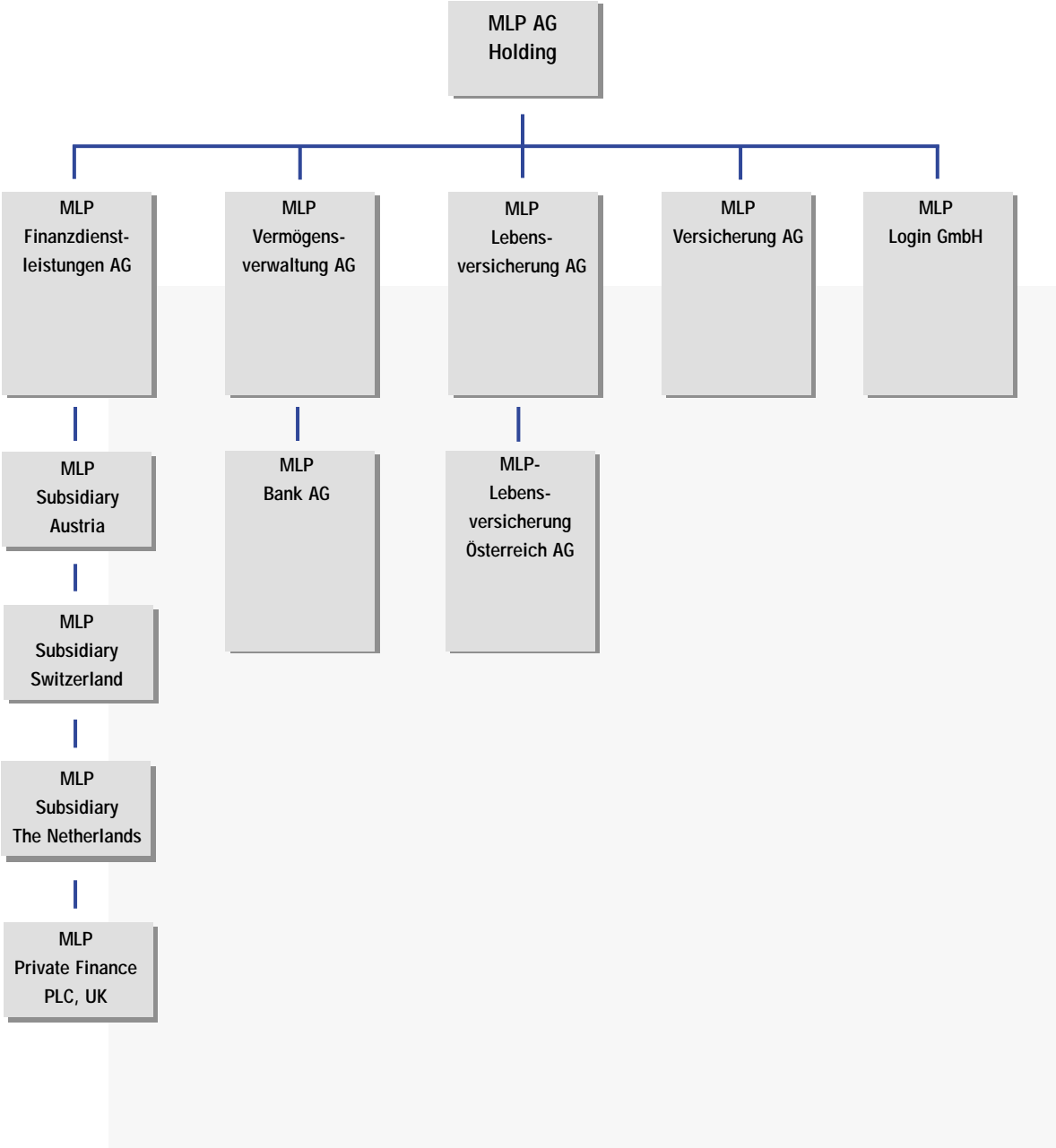
Heidelberg, in April 2001

The supervisory board

A handwritten signature in dark ink, appearing to read 'Lautenschläger', written in a cursive style.

Manfred Lautenschläger
Chairman of the supervisory board

The company structure





Studies



Investor relations

	Ordinary shares	Preference shares	Percentage change 1999/2000
Number of individual share certificates in mio.	39.6	39.6	300.0
DVFA-result per share in euro	0.65	0.65	32.7
Subscribed capital in mio. euro	39.6	39.6	300.0
Dividends per share in euro	0.38	0.40	31.1
Total dividends in mio. euro	15.0	15.8	30.9
Market capitalisation as at 31.12.2000 in billion euro	4.6	4.6	65.8
Traded shares in billion euro*	1.0	3.0	344.4
Total trading volume in shares (million)*	8.5	22.5	545.8

* Stock exchange Frankfurt and Xetra

The MLP stock continued to perform well maintaining its momentum in 2000. While the stock markets worldwide generally experienced a disappointing year, the MLP ordinary share rose by over 80 percent between January 1st and December 30th. The MLP preference share also underwent a similar development, increasing in value by some 60 percent. The MLP ordinary share outperformed the C-DAX industry index, relevant to MLP, by some 38 percent. As at December 31st 2000, MLP reported a market capitalisation of 9.2 billion euro. This means that within a period of one year the company has become 65.8 percent more valuable, measured in terms of stock market value.

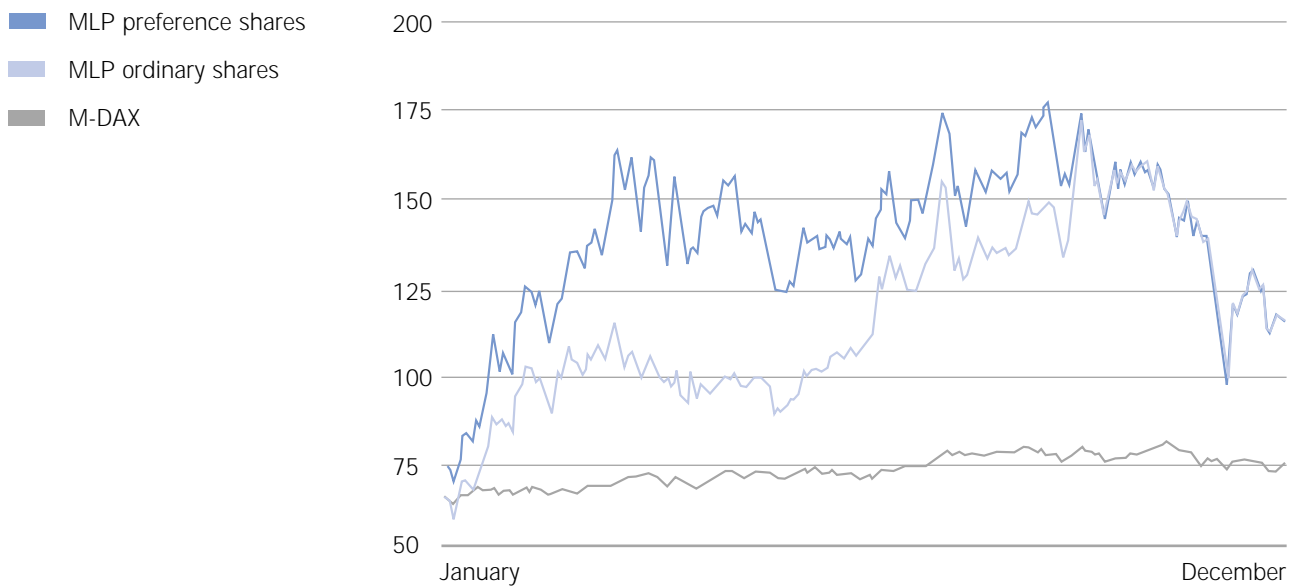
The MLP stock once again improved its position within the DAX 100. In terms of market capitalisation the MLP share was ranked 24th on December 31st. So MLP has moved up seven places within a 12 month period. In terms of trading volume the MLP stock has moved up 11 places to the 27th position. MLP has thus fulfilled the criteria for DAX 30 acceptance for more than a year now.

Within the DAX 100 MLP has reported the second-best annual performance and was once again clearly ahead of all other companies and corporations active in the German financial services sector. Even from a pan-european perspective, MLP also rates as one of the best performing stocks.

In comparison with the DAX 30, which closed 8 percentage points lower at year-end than in the previous year, the MLP preference share once again "outperformed" the markets with its increase.

Trading in the MLP AG stock rose again considerably last year. In comparison with the same period in 1999 the value of the shares traded on the Xetra exchange and on the Frankfurt stock exchange reached a volume of 4 billion euro. This represents an increase of 3.1 billion euro or 344 percent. The increase in trading was also one of the objectives of the capital measure which became effective on July 11th 2000. The subscribed capital totalling some 19.8 million euro (9.9 million ordinary share certificates and 9.9 million non-voting preference shares) was increased from 59.4 million euro to 79.2 million euro by converting the capital reserves into equity capital. As a result the number of shares increased to 39.6 million ordinary share certificates and 39.6 million preference share certificates. Existing shareholders were awarded three new shares for each share held.

MLP share price performance in 2000 (euro)



Security code number MLP preference shares: 656 993

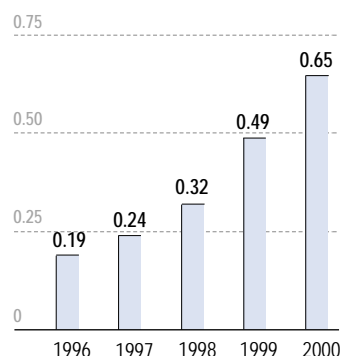
Security code number MLP ordinary shares: 656 990

Investor relations

During the second half of the year, and set against a background of unrelenting strong growth - especially among the MLP subsidiaries – and with the objective of involving all shareholders equally in the overall MLP success, MLP started to set the new course for the next stage in its development. At an extraordinary shareholders' meeting on November 17th 2000 an overwhelming majority voted to authorise the managing board to adapt the capital structure to the business course. In the future there will no longer be two different types of shares. The former 39.6 million preference share certificates will be converted into ordinary share certificates at a ratio of 1 to 1, so that only ordinary share certificates will be in circulation and can be traded. At the same time MLP will tighten its ownership structure and exchange those shares held by minority shareholders in the MLP companies MLP Lebensversicherung AG, MLP Vermögensverwaltung AG, MLP Versicherung AG and MLP Login GmbH at a fixed ratio calculated by external, independent experts into MLP AG shares. The aim is to achieve a one hundred percent ownership by the subsidiaries of MLP AG. To implement this measure the managing board was authorised to issue up to 29.5 million new ordinary share certificates each at a price of 1.– euro. Upon completion of this capital increase the MLP AG will this have issued 108.7 million shares in total, each valued at 1.– euro.

For the twelfth year in succession MLP is in a position to increase its dividend payments. The dividends amount to 0.40 euro per preference share and 0.38 euro per ordinary share. This represents an increase per preference share of 10 cents or 33.3 percent and of 8.5 cents or 28.8 percent for each ordinary share. The total dividends have increased by 30.9 percent from 23.6 million euro to 30.9 million euro.

DVFA result per MLP AG share
in euro



Financial calendar

Subject	Location	Date
General shareholders´meeting/AGM 2002		Juni 2002
Analysts´ conference	Frankfurt/Main	April 2002
Balance sheet/Results conference	Frankfurt/Main	April 2002
Pre-time annual results 2001		Februar 2002
Results for 3rd quarter 2001		November 2001
Results for 1st half-year2001		August 2001
Results as at 1st quarter 2001		May 2001
General shareholders´meeting/AGM 2001	Mannheim	May 28, 2001
Analysts´ conference	Frankfurt/Main	May 21, 2001
Balance sheet/Results conference	Frankfurt/Main	May 21, 2001

MLP AG
Investor relations

Forum 7
D-69126 Heidelberg

Phone: +49 62 21/3 08-11 30
Fax: +49 62 21/3 08-11 31

E-Mail: investorrelations@mlp-ag.com





Starting a job

Director's report for the MLP Group and MLP AG

MLP Group and MLP AG	2000	1999	Percentage change
MLP Group			
Total revenues	816.4	542.7	50.4
Profit before tax	114.8	76.3	50.4
Annual net profit	61.9	40.3	53.5
Equity capital*	165.9	134.7	23.2
MLP AG			
Profit before tax	92.1	71.0	29.7
Annual net profit	51.5	38.9	32.4
Equity capital*	157.8	137.2	15.0

Figures in euro million

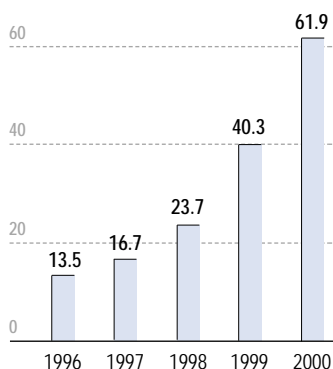
* Adjusted by planned dividend payments

The year 2000 was another successful year for the MLP Group. The Group sales revenues increased by 50 percent compared with the previous year from 543 million euro to over 816 million euro. Group profit before taxes on income were reported at 114.8 million euro in comparison with 76.3 million euro in 1999, representing a 50 percent increase.

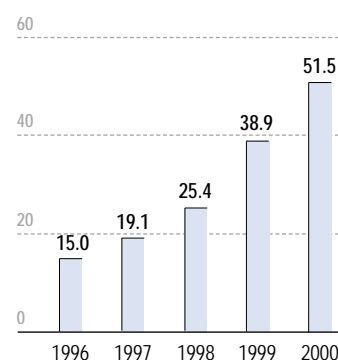
All companies contributed to the sustained growth. In particular, the MLP subsidiaries formed within the last few years have recorded very strong growth rates. MLP Bank AG broke even and made a positive contribution to profit after just three years in business. At the same time the bank also managed to almost double the number of its customers to 157,000. MLP Vermögensverwaltung AG and MLP Lebensversicherung AG reported strong increases in profit.

The listed holding company MLP AG which heads the MLP Group increased its profits before taxes on income by approximately 30 percent from 71.0 to 92.1 million euro. The net income was reported at 51.5 million euro compared with 38.9 in 1999.

Annual net profit for the Group
in euro million



Annual net profit for MLP AG
in euro million



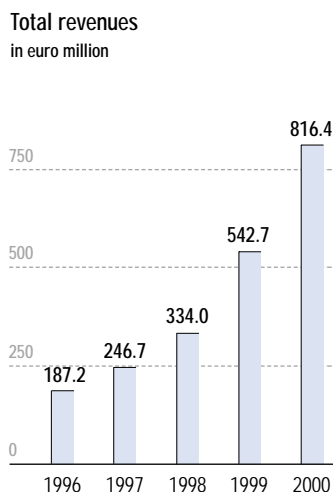
Classification of total revenues	2000	1999	Percentage change
Revenues	255.8	218.9	16.9
Other activated services for own account	3.8	0.0	
Interest from banking business	8.2	3.0	173.3
Insurance contributions	322.6	169.2	90.7
Profits from reinsurance	185.4	109.5	69.3
Other business income	40.6	42.1	-3.6
Total revenues	816.4	542.7	50.4

Figures in euro million

The MLP Group has reported continuous stable growth for several years now, which demonstrates its ability to shape its growth independently of market environments and external influences. One guarantee for growth at MLP is the flexible option of providing individual solutions for its clients which incorporate banking and insurance modules, meaning that the company can operate autonomously of taxation or political reforms. MLP can thus consistently and reliably expand the business irrespective of particular economic trends.

The average age of an MLP customer is just 34 years. As many of the MLP clients gain work experience and move forward in their careers, the demands they make of their own financial concepts increase accordingly. Thus, with each year, the demand among existing customers grows for intelligent solutions which need to be adapted to match each customer's unique situation.

MLP Financial Consultants reach their maximum efficiency after four to five years with the company. Generally, each MLP consultant supports a client base of up to 200 customers. This means that a close client-consultant-relationship can be established, ensuring regular ongoing customer support. The number of fully productive financial consultants will increase over the next few years. Each year young, responsible financial consultants join us who are then trained at the MLP Corporate University before carefully starting to build up their own customer base.



Financial indicators	2000	1999
Equity return after tax MLP AG in %	32.6	28.4
Equity return after tax MLP Group in %	37.3	29.9
Equity ratio MLP AG in %	79.7	78.4
Equity ratio MLP Group in %	15.0	17.7
Cash flow MLP AG in million euro	53.5	40.2
Cash flow MLP Group in million euro	69.9	50.1

MLP has expanded its cost leadership using superior information technology. These cost advantages are in turn passed onto the customers, meaning that MLP also continues to become more valuable for its clients. The comparable individual modules in the solutions are among the top products in terms of cost-performance ratios in almost all sectors.

The expansion into international markets continues. The first office in the Netherlands in Maastricht has been established successfully. Additional offices are already planned. The office network has been increased in Austria. At the end of the year 2000, some 60 MLP consultants worked there in seven different offices. MLP is represented in Switzerland with 16 consultants in four offices. Expansion into the British market was continued in March 2001 with an office in London employing 11 consultants.

Cash flow and balance sheet

The cash flow reached 69.9 million euro in the year 2000 for the Group and 53.5 million euro for MLP AG. The stable cash flow ensures the MLP Group a high degree of independence. All major investments to safeguard the further growth were financed from cash flow funds.

The return on equity after tax for the Group was 37.3 percent and the equity ratio sank as expected due to a large increase in fixed assets at MLP Lebensversicherung AG to 15 percent. The equity was reported at 165.9 million euro.

The balance sheet profit at the AG increased by 32.5 percent from 38.9 million euro to 51.6 million euro. The proposal will be made at the general shareholders' meeting on May 28th 2001 to pay out dividends from the balance sheet profit. These have increased in comparison with the previous year from 0.30 euro to 0.40 euro per preference share and from 0.295 euro to 0.38 euro per ordinary share on the dividend bearing capital. The entire dividend total hence increased by 30.9 percent from 23.6 million euro to

30.9 million euro. After tax the return on equity for MLP AG amounted to 32.6 percent. In the previous year it amounted to 28.4 percent. The equity ratio was reported at 79.7 percent. The DVFA-result increased by 32.7 percent from 0.49 euro to 0.65 euro per share.

Attractive employer

In 2000 MLP again created numerous high quality jobs. The total number of staff increased by 29.5 percent from 2.394 to 3.102. Some 5.000 candidates applied for an opportunity to become financial consultants. The total number of financial consultants increased by 31.1 percent to 2.021. The educational qualifications of the MLP Financial Consultants are exceptionally high. 96 percent of MLP Financial Consultants have an academic degree or professional qualifications. Intensive additional training courses at the MLP Corporate University ensure the staff are equipped with qualifications for the future.

Risk management

One of the obligations arising from the Control and Transparency Act in the corporate sector (KonTraG) is that reports must be submitted about the risks of future development. These risks are, by their very nature, linked with the risks that are inseparable from commercial dealings. For the financial services industry in particular restrictions could arise for corporate growth from a taxation point of view or as a result of fluctuations on the stock markets. Appropriate concepts for such third party changes have been developed.

A detailed and comprehensive risk evaluation for corporate growth has shown that there are no other additional risks that could endanger MLP as a company. Our forecasts have not shown any indications of factors that may negatively influence the MLP Group growth.

MLP Finanzdienstleistungen AG

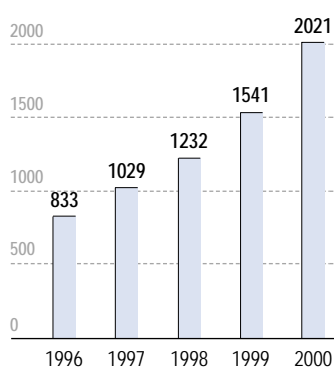
MLP Finanzdienstleistungen AG	2000	1999	Percentage change
Revenues	291.5	262.7	11.0
Earnings before tax on income	88.1	68.7	28.0
New life assurance business (total premiums)*	4.8	4.3	11.6
Payments into mutual fund policies	880.0	667.0	32.0
New loan and mortgage business	920.0	783.0	17.5
New health insurance business (annual premiums)	62.0	48.8	27.0
Business in-force for non-life, third party and legal insurance	75.0	66.1	13.5

Figures in euro million

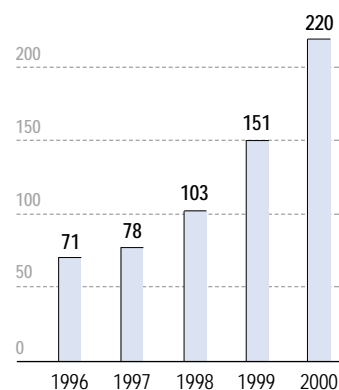
* in euro billion

MLP Finanzdienstleistungen AG, the consulting company in the MLP Group, continued to successfully expand its market leadership in winning new customers among university and college graduates. The market share for new customers among the MLP target graduates now totals some 38 percent and is continuing to grow steadily. There is still no obvious indication of market saturation. In addition, as a result of recommendations, ever more customers with work experience are also approaching MLP. The image campaign launched in the autumn of 2000 in the leading national and relevant international media also served to increase qualified awareness for MLP in the corresponding occupational groups. All in all, at the end of 2000, over 2,000 MLP Financial Consultants served in excess of 370,000 clients. This growth in customer numbers corresponds to an increase of 22 percent in comparison with the previous year. Customer growth also continued at this high level and has been increased even more. Never before have so many new clients been won in any one year as in the year 2000. The market presence was also increased consistently. The number of branch offices rose from 151 to 220. This figure is a sure indication for the continued dynamic growth of the Group and is also the most important growth factor alongside the increase in the number of consultants and customers. MLP has a brand office network in Germany, Austria and Switzerland and has also opened its first office in the Netherlands. The first office in England will be opening its doors for business in March 2001.

Total number of MLP Financial Consultants



Total number of branch offices



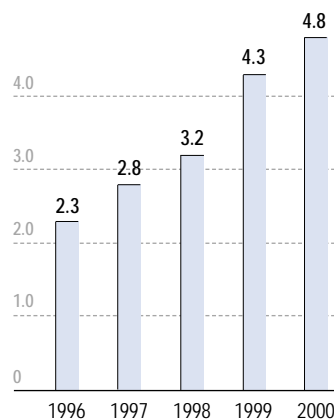
The trend towards unit-linked life assurance is also noticeable in the sales revenue figures. The acquisition commissions for unit-linked life assurance at MLP Lebensversicherung AG are not charged straight to the customer upon contract agreement, as is the normal business practice, but instead spread over a period of 12 years in a customer-friendly fashion. The customer can hence start building up a capital basis from an early stage and benefit from the compound interest effect. These advantages and the high quality of consultation are also apparent in the cancellation rate across the entire life assurance sector. For several years now this has been lower than one percent and hence significantly less than the market average of approximately five percent. This is a further indication of the high quality of consultation services, low costs as well as customer maturity. The sales revenues increased from 262.7 million euro to 291.5 million euro. The profit before taxes increased by 28.2 percent from 68.7 million euro to 88,1 million euro.

The individual sectors:

- Coverage and provision

With the so-called "MLP Vorsorgemanagement" concept - MLP provisional management - different modules such as occupational disability coverage, endowment and pension assurance, unit-linked life and pension assurance as well as term insurance can be combined to long-term customer-specific pension provision concepts. Due to a young customer base new and existing business consists almost exclusively of long-term contracts - with an average term of 30 years' continuous payments. The importance of this sector will continue to gain momentum as the demand for private provisional coverage grows among MLP customers. New business increased to 4.8 billion euro in comparison with 4.3 billion euro total premiums in 1999. The new business comprises almost entirely of regular payment contributions. In comparison, the entire new business in the sector has declined by some 30 percent and has now fallen to approximately the same level as in 1998. In Germany MLP is the leading broker for occupational disability cover among university graduates. The unit-linked life assurance sector also recorded strong demand, increasing by 17.8 percent to 2.7 billion euro total premiums, including index-linked and normal increases.

New life assurance business
in euro billion total premium



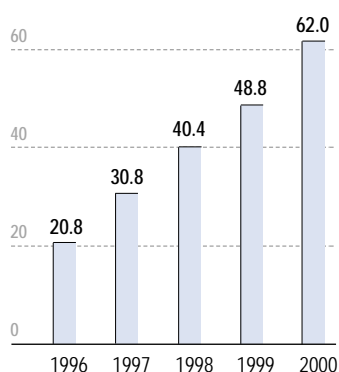
- Private health insurance

An increasing number of the young MLP customers who came to the company between three and five years ago are reaching the income threshold for private health insurance in Germany of 40.034 euro and starting to take advantage of private health insurance. The continual increase over a number of years in the new health insurance business at MLP is a reflection of the good customer support which they receive - from the time they pass their exams up to the time they reach the income threshold. New business increased by over 26 percent from 49 million euro in 1999 to 62 million euro annual premiums. This makes MLP the leading broker for new business in the private health insurance sector for clients with an academic degree in Germany.

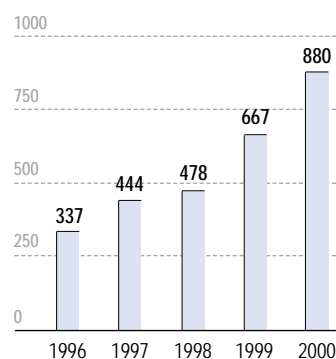
- Mutual funds

In the investment sector the inflow of funds has increased by some 32 percent despite the high base created in 1999. New business rose to 880 million euro in comparison with 667 million euro in the previous year. In comparison with this the inflow of funds in the industry in general is declining and was heavily influenced by the volatile stock markets. This again provides proof of MLP's ability to grow independently of external influences, because MLP clients invest in intelligent and individual financial services and are supported accordingly by the MLP Financial Consultants. The inflow of funds originates generally from newly saved capital which has not been moved, for example, from existing savings accounts or other investments. In comparison with other companies associated with the Federation of German Mutual Investment Companies (Bundesverband deutscher Investmentgesellschaften (BVI)), MLP would rank among the top seven in terms of inflow of funds.

New health insurance business
in euro million annual premiums



Inflow to mutual funds
in euro million



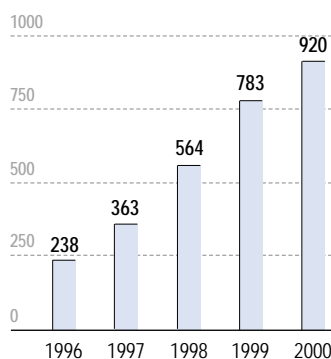
- Loans and mortgages

In the year 2000 MLP arranged loans and mortgages for private clients totalling some 920 million euro. While the mortgage bank industry reported a clear decline in new business, MLP was able to achieve an increase of almost 20 percent. This is once again an indication of MLP's resilience to external influences. The risk scoring system in the MLP HYP concept provides each MLP consultant with a rapid and comprehensive system for an immediate approval of loans up to 400.000 euro. Loan defaults do not represent a major risk because of the high creditworthiness of MLP customers and the high quality of consultation provided. MLP is clearly one of the most important mortgage loan brokers for sophisticated clients in Germany.

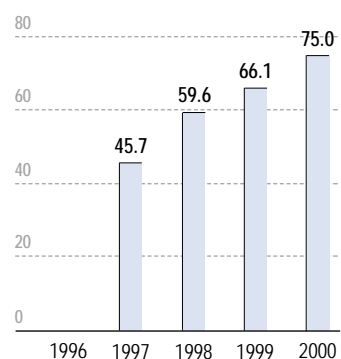
- Non-life, third-party and legal insurance

The non-life, third-party liability and legal insurance sector also developed very positively. MLP Risikomanagement (risk management) now manages some 176.000 contracts. Those customers who use the MLP Financepilot on the Internet can also view their entire composite contracts online. They can, for example, check the current status of an insurance claim and undertake transactions. The business in force increased by some 13.5 percent and reached 75 million euro annual premiums at the end of the year, some 9 million euro higher than the 66.1 million euro annual premiums reported in 1999.

New loans and mortgage business
in euro million



Business in-force for non-life third party and legal insurance
in euro million annual premiums



MLP Lebensversicherung AG

MLP Lebensversicherung AG	2000	1999	Percentage change
Income from premiums	275.2	169.1	62.7
Earnings before tax on income	8.4	4.4	90.9
Annual profit (net)	4.2	2.2	90.9
Total new business*	4.1	4.2	-2.4
Business in force*	12.4	8.7	42.5

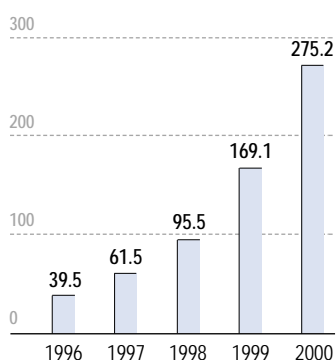
Figures in euro million

* in euro billion

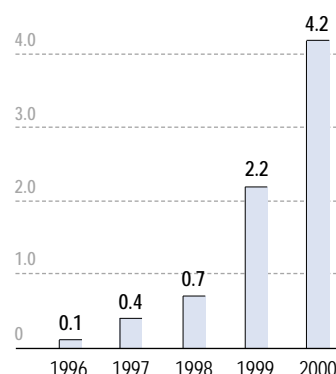
MLP Lebensversicherung AG provides unit-linked life and pension assurance as well as occupational disability and term insurance cover. The company also acts as the electronic broker platform within the MLP Vorsorgemanagement concept. It co-ordinates the composition of individual modules between the suppliers (co-operation partners) and conducts the contract administration. MLP Lebensversicherung AG continued its upward trend again in 2000. The premium income rose by 63 percent from 169.2 million euro to 275.2 million euro. By comparison the overall market reported stagnating premium income levels. Total additions reached 4.1 billion euro total insurance sum. The business in-force increased by over 42 percent from 8.7 to a total insurance sum of approximately 12.4 billion euro. The annual net profit reached 4.2 million euro, almost twice the figure reported in 1999.

There has been an increasing shift on the German market in recent years from endowment to unit-linked life assurance. MLP Lebensversicherung AG therefore complemented its product range with the flexible unit-linked pension insurance. The strong growth at MLP Lebensversicherung AG will also be sustained with the expected further positive development in the private provisions sector. The pension reform in

Income from premiums
in euro million



Annual net profit
in euro million



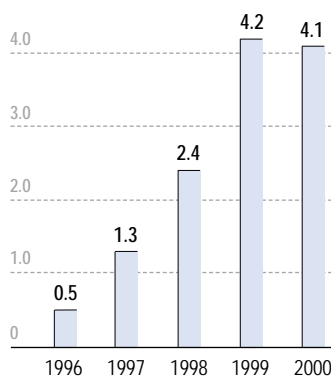
Germany stipulates that sales commission and fee charges for life assurance policies be spread over a ten-year period. However, MLP Lebensversicherung AG has already spread these commission charges over a period of 12 years since 1991, quite without any legal obligation to do so.

The new business for unit-linked life assurance reached, including dynamic and normal increases, 2.4 billion euro. The capital investment stock hence reached a volume of 580 million euro at year-end.

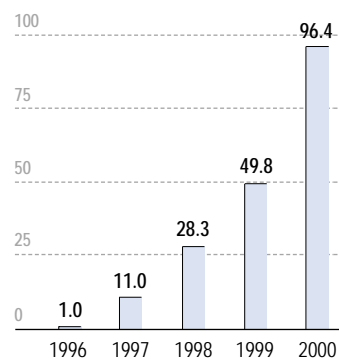
MLP Lebensversicherung AG was one of the first suppliers to differentiate occupational disability cover by occupation. Since 2000 the insurance premiums have become increasingly refined thanks to the segmentation into five different occupational groups. As a result the occupational disability insurance can be optimally adjusted to the different requirements of each of the MLP customer groups.

The 50-percent subsidiary of MLP Lebensversicherung AG in Austria - a joint venture with the Uniqa Group - has already been able to generate a market share of over 15 percent in the unit-linked life assurance sector. The income from premiums have almost been doubled, amounting now to almost 96 million euro. The new business reached the 530 million euro mark in total premiums in comparison with 228 million euro in 1999. This represents an increase of 133 percent. The business in-force equates to total premiums of some 895 million euro.

Total additions insurance cover
in euro billion



Premium income at MLP-Lebensversicherung AG, Austria
in euro million



MLP Vermögensverwaltung AG

MLP Vermögensverwaltung AG	2000	1999	Percentage change
Total revenues	11.8	4.7	151.1
Earnings before tax on income	8.0	1.9	321.1
Annual net profit	3.8	0.9	322.2
Assets under management*	2.3	1.1	109.1

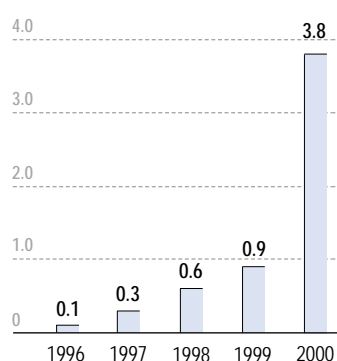
Figures in million euro

* in billion euro

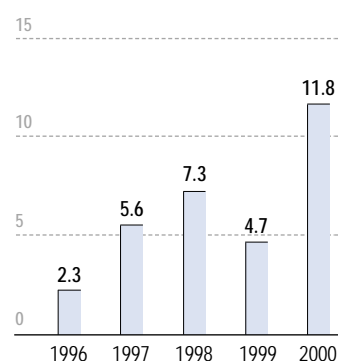
MLP Vermögensverwaltung AG supports the MLP Bank AG and MLP Lebensversicherung AG regarding professional asset management for the MLP clients. MLP Vermögensverwaltung AG has again experienced strong growth in the 2000-business year following on from the high results achieved in 1999. The assets under management in the personal portfolio management have been more than doubled and now amount to some 2.3 billion euro. The total structured and managed assets of all clients within the MLP Group were reported at 2.7 billion euro. The sales revenues rose from 4.7 million euro by 151 percent to 11.8 million euro, resulting in a quadrupling of the net annual profit to 3.8 million euro.

The inflow rose further by 32 percent in comparison with 1999, despite the volatile and generally weak stock markets. The MLP personal portfolio management concept in particular - which can be adapted to individual customer needs depending on investment objective, duration and risk profile - reported sustained high inflows. The customer invests here in a risk-minimised investment opportunity with a balanced opportunity-risk ratio. This concept was also launched in 2000 in Austria and was well received by the market. The continuous increase in inflow shows that MLP can expand irrespective of

Annual net profit
in euro million



Total revenues
in euro million

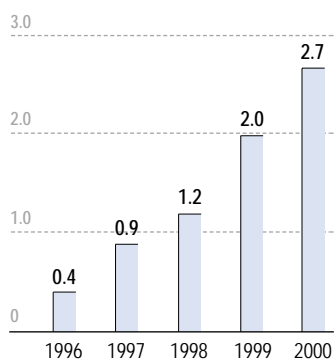


external influences. Since the introduction of the innovative MLP Financepilot technology customers can call up their individual asset management reports and their current portfolio status via the Internet.

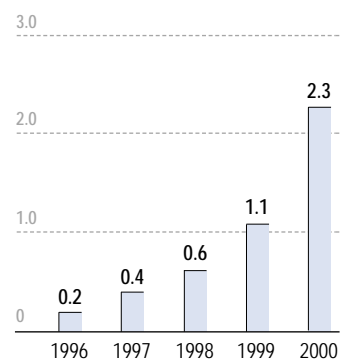
Overall, the securities markets were the scene of a difficult investment environment in 2000. As a result of developments in specific industries such as, for example, biotechnology, the Internet and the technology sectors, the stock markets demonstrated clear downward trends in 2000. This could not be compensated for entirely by the so-called "Old Economy". On the currency side, the weak euro damaged performance significantly.

In this difficult market environment the portfolios managed by MLP Vermögensverwaltung AG exceeded the market average for long-term fund management products. Almost all of the funds issued exclusively for MLP by leading investment companies were above the specified benchmark. And again the "DWS Aktienstrategie Deutschland" fund managed for MLP customers has maintained its top position among German equity funds.

Structured and managed assets at MLP Group
in euro billion



Funds under management
in euro billion



MLP Bank AG

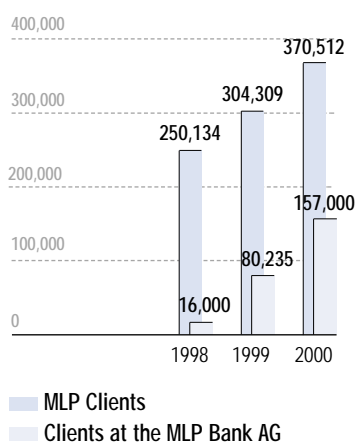
MLP Bank AG	2000	1999	Percentage change
Income from commissions	7.8	3.6	116.7
Interest earnings	2.5	1.0	150.0
Balance sheet total	297.9	157.6	89.0
Annual net profit	0.2	-0.3	
Clients	157.000	80.235	95.7

Figures in euro million

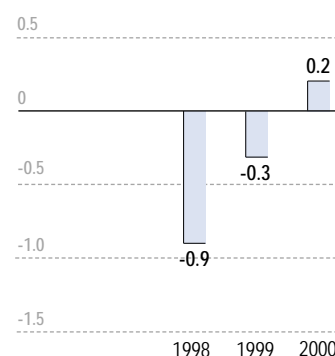
In the loan management sector the MLP Bank AG operates as an electronic broker platform. Its function is to co-ordinate the loans arranged by MLP Finanzdienstleistungen AG with the partner banks, building societies and insurance companies. This function is unique in such a complex form.

MLP Bank AG successively expanded its product range in the 2000 business year. One reason for the high growth rates was the introduction of the Internet offering "MLP Basic Account" within the Financepilot scheme. The "MLP Financepilot" is also unique in the way it operates. It provides customers with an overview of the status of their current contract and liquidity status for all accounts managed by MLP across all financial services sectors at any time and from any location.

Clients of MLP Bank AG



Annual net profit
in euro million



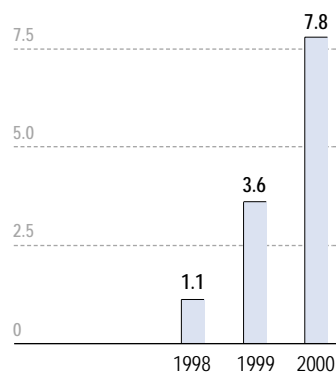
MLP Bank AG is now used by more than 157,000 customers. The MLP Eurocard launched for undergraduates has been well received in addition to the MLP Goldcard. The market share for the issue of new eurocards now totals some 10 percent and almost 50 percent for the eurocard Goldcards.

In its third year of business the MLP Bank AG can already report a positive net annual profit of over 200.000 euro. The net commission income rose from 3.6 million euro by 116 percent to 7.8 million euro. The net interest income has been more than doubled from 1 million euro to 2.5 million euro.

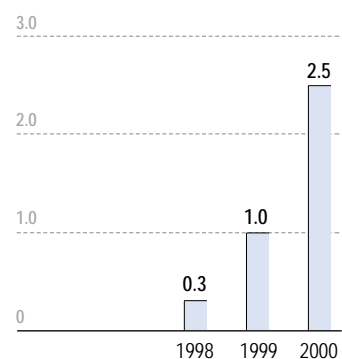
The customer base at the bank has equally risen by almost 100 percent with 157,000 clients. The MLP Bank AG aims to penetrate the entire MLP customer base. So far some 42 percent of MLP customers have joined the bank.

MLP customers do not have any major risks of default and their loan as well as their credit balance volumes are high. The balance sheet total has almost been doubled in comparison with the same period last year.

Net commission income
in euro million



Net interest income
in euro million



MLP Versicherung AG

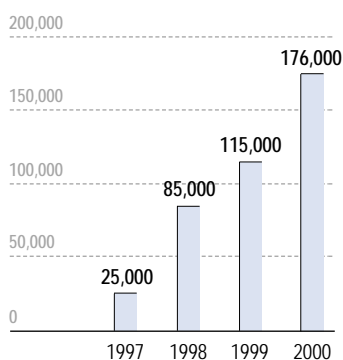
MLP Versicherung AG	2000	1999	Percentage change
Total revenues	8.7	6.6	31.8
Earnings before tax on income	-0.1	-1.0	90.0
Annual net profit/Annual deficit	0.2	-0.9	
Policies under management (number of)	176.000	115.000	53.0

Figures in euro million

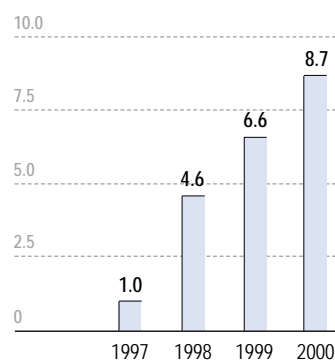
The MLP Service GmbH company, which until now had largely assumed administrative tasks related to non-life insurance products, has been reorganised into the new company MLP Versicherung AG. On July 27th 2000 the company was granted a licence by the German Federal Supervisory Office for Insurance and now focuses upon the risk management of non-life risks of MLP clients, that is for the sectors property, third-party liability, accident and automobile insurance. In contrast to the normal standardised products in this sector MLP refines its own customer-specific solutions by adding modules from third-party insurers as part of its risk management concept. The company's own electronic broker platform and the Internet expert system "MLP Risk-pilot" allow MLP to administrate more effectively, to increase efficiency and to further improve quality of its consultation. MLP hereby uses its position in the market as well as the particularly favourable risk structure of its clients, to negotiate favourable terms with its partners, passing these on to the MLP clients.

The number of policies under management increased by 53 percent to 176,000 contracts. The sales revenues reached 8.7 million euro after 4.6 million euro in 1999. The net annual profit was reported at 0.2 million euro following a deficit of 0.9 million euro in the previous year.

Policies under management



Total revenues
in euro million



MLP Login GmbH

MLP Login GmbH	2000		
Earnings before tax on income	-1.2	-.-	-.-
Annual deficit	-1.0	-.-	-.-

Figures in euro million

As a service provider and service company for the MLP Group, MLP Login GmbH develops software and applications for the Internet activities as well as for the broker platforms covering almost all financial sectors. Since March 2000 intelligent interfaces have enabled these broker platforms to also be used by the MLP customers on the Internet. Selected sites - MLP calls them "Pilots" such as for example the "Hypopilot" (mortgage pilot), which shows different property loan alternatives including the corresponding calculations, or the "KV Pilot" (private health insurance pilot) are also available to non-clients. These "Pilots" provide access to occupational-specific private health insurance rates and policies can also be taken out directly online.

In December 2000 target group portals were added to the MLP Homepage covering occupation-specific and business information for the individual occupational groups. This means that MLP now has a target group oriented Internet approach and is, at the same time, also focusing on the Internet for additional consultation and support. This approach has led to a continual increase in the number of direct consultation requests via the Internet. MLP Login GmbH thus acts as a virtual office, providing a point of contact for those customers in the MLP target group who neither require nor desire personal contact. Customers can also complete transactions in all financial sectors online. This service allows MLP to satisfy a growing demand without impinging on its own core competence - that of personal consultation.



Outlook

MLP is continuing on its course and remains firmly on a dynamic path. The first few months of the business year 2001 were also extremely successful. Once again MLP and its employees realised high growth in all sectors and in all activities.

MLP has proven that it is possible to maintain high growth levels of over 30 percent per annum over a period of several years. This objective will certainly also be achieved next year and in the years to follow.

The year 2001 will very probably be - as is already becoming apparent - another successful business year for MLP. Additional thrust will come on the one hand from the continued internationalisation, the ongoing focus on clients by defined age structures and occupational groups as well as from the further introduction of new financial concepts. And on the other hand, new impulses will also arise as a result of the impact of the Internet strategy. In the previous business year MLP made a concerted effort to develop its Internet activities rapidly. This will also contribute to the business success in 2001.

The company will again be able to finance its growth in 2001 from the current cash flow resources. The dividend payment policy will remain shareholder-friendly and be governed by profitability.

We also expect to see sustained growth in the future at MLP Vermögensverwaltung AG and MLP Lebensversicherung AG. Our expectations are still especially high for the MLP Bank AG as well as the MLP Versicherung AG.

The MLP strategy will continue to be successful in 2001 and in the years to follow:

- The full benefits of the MLP Private Finance Concept - the combination of personal consultation with online brokerage - will unfold in 2001.
- Additional target groups will be addressed via the online finance and the Internet. MLP defines online finance as the provision of integrated services made via the Internet across the various financial services sectors.
- The still high market penetration within the major target groups of graduates, doctors and dentists, lawyers, engineers, economists remains significant and activities in this area will be further intensified.
- The contribution by the international MLP companies to the MLP success story will constantly increase. In the UK, MLP plans to expand cautiously. In the Netherlands the market presence will be stepped up. The expansion in Switzerland and Austria is proceeding according to plan.

- The number of financial consultants is growing steadily, while the level of their qualifications has again risen. Another aspect: MLP Financial Consultants reach their optimum productivity after approximately four years due to the complexity of their clients' consultation requirements and the increasing sophistication of their customer base. Less than half of the current MLP Financial Consultants have these four years of experience behind them. This in turn means that there is still considerable potential to be realised.
- Rising salaries among specialists and managerial staff, the effects of the capital markets as well as demographic changes, will all contribute to a marked increase in the disposal income of MLP customers. The average age of an MLP customer is just 34 years. This means that MLP has the largest qualitative and quantitative potential in the most interesting target groups for financial services.
- MLP continues to place great emphasis on developing customer loyalty and as a result assures itself an additional share of the capital and insurance needs of the target groups.

Therefore, MLP can be optimistic about the coming years and assume that it will continue to be one of the best and most successful companies in Europe, in both the short and the long-term. This forecast for MLP is supported by its continual market share gains, especially within the high disposable income target groups. MLP will also continue to reinforce its already well-established competitive advantages by expanding its technological lead in the computing area with efficient cost management, as well as by continuing to pursue clearly defined target groups.

The chance of the company soon being listed on the DAX 30 has grown, the acceptance criteria having already been met for over one year. The aim is to realise a high increase in value for the shareholders. In 2001 MLP will undertake additional measures to increase the appeal of the MLP stock as well as its competitive strength.

Plans for 2001 and 2002

The number of financial consultants should grow during 2001 by 400 to 2,400 reaching 2,950 by the end of the year 2002. The number of offices should exceed the 280 mark, with 25 offices outside of Germany. The plan is to have opened the 330th office by the end of the year 2002. MLP expects that the number of customers will reach 450,000 in 2001 and 550,000 by the end of the year 2002. The company plans to invest some 50 million euro in information technology during the course of 2001. The forecast profit before taxes for the MLP Group should reach 149 million euro and 115 million euro at MLP AG in the 2001 business year. And in the business year 2002, MLP expects to report profit before taxes for the MLP Group of 194 million euro and for MLP AG of 144 million euro.

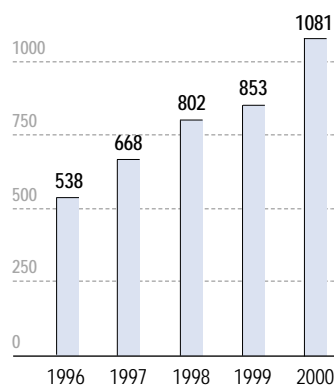
Employees

The key factor for MLP is, and remains, the employees. MLP's work is based on knowledge and information. The bearers of this knowledge are the employees and financial consultants. The headquarter provides and prepares the information, to enable financial consultants to jointly develop solutions for the customers.

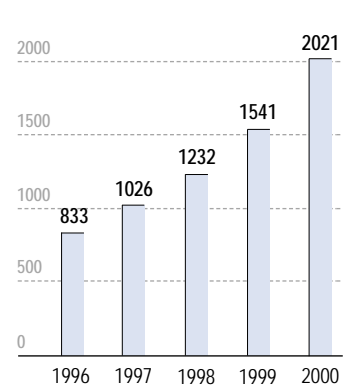
MLP's appeal as an employer is clearly continuing to grow. The company is popular among the top university graduates. They are attracted to MLP by a promising new career development path which offers considerable scope for success and responsibility. In turn, MLP also makes the highest demands of its future financial consultants, particularly with respect to competence, education, and integrity towards customers, a sense of responsibility, commitment and performance.

96 percent of MLP Financial Consultants have an academic or professional qualification. Established Financial Consultants also receive at least 27 days of training each year at the MLP Corporate University. 54,000 training days were held at the MLP head offices for consultants. The number of training days provided in the branch offices is similarly high. These figures clearly show just how intense the training is at MLP.

MLP office-based staff



MLP Financial Consultants



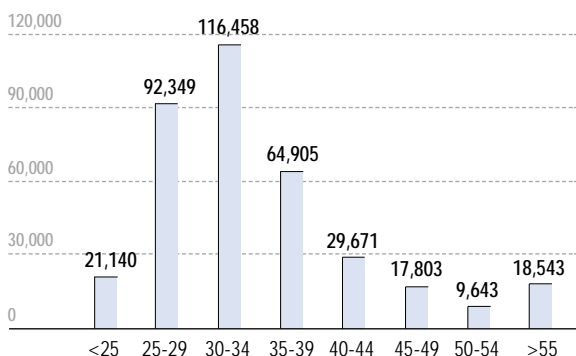
Customers

MLP customer groups	Number
Economists and engineers	143.118
Lawyers	17.888
Doctors	80.562
Dentists	11.187
Other MLP target groups	117.757

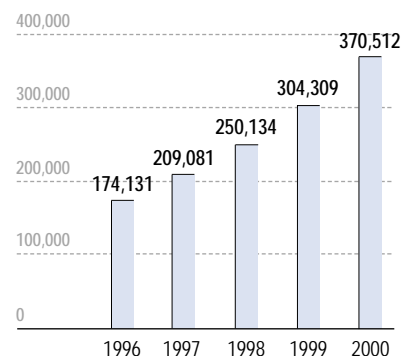
Customers form the basis of every company's success. No other financial services company pursues with such resolve the dual approach of addressing sophisticated high potential client groups with equally highly qualified and ambitious financial consultants. The MLP customers are among the top ten percent of an elite defined in terms of education and income in the corresponding markets. The unique customer basis and client structure are two of the main reasons behind MLP's high valuation. When providing consultation services MLP concentrates on the long-term requirements of individual occupational groups. The main customers include graduates, doctors and dentists, lawyers, engineers, economists. The share of MLP customers in a graduating year who are starting out in their careers, totals some 36 percent. An increasing number of customers with work experience are also starting to approach MLP as a result of recommendations. In 2000 the company won approximately 70,000 new customers, a third of these with professional experience. The number of new customers will increase again in 2001. Thanks to the high standard of consultation and the high quality of the financial solutions the customer loss rate is less than one percent. The concentration on these occupational groups also results in a homogenous risk pool, which in turn allows an optimum risk/performance ratio to be achieved when calculating premiums.

The average age of an MLP customer is 34, and that of new customers is much lower at under 30. 31 percent of customers are younger than 29 years old, a further 31 percent are between the ages of 30 and 34. Only approximately five percent are older than 55.

Age structure of MLP clients
Total clients 370.512



Number of customers



Action of annulment I

The action filed by the Schutzgemeinschaft der Kleinaktionäre (SdK: society for the protection of private shareholders' interests) in July 1998 against MLP against resolutions passed at the ordinary shareholders' meeting on June 15th 1998 is still pending. MLP has already issued a detailed statement concerning both the contents and expectations in the 1998 Annual Report. In MLP's opinion there have been no new developments regarding this case in the meantime. On July 15th 1999 MLP lodged an appeal against the decision dismissed in the first instance. On December 14th 2000 the II. Civil Court of Appeal at the German Federal Supreme Court accepted the appeal and has now scheduled the verbal hearing for June 18th 2001.

Action of annulment II

On November 17th 2000 the extraordinary shareholders' meeting voted in favour of the management board proposals to alter the capital and holding structure at MLP AG. This will make MLP even stronger, providing it with internationally oriented Corporate Governance. At the current time two actions for annulment have been filed against the resolutions passed at the extraordinary shareholders' meeting on November 17th 2000 before the district court in Heidelberg. Under the charges the plaintiffs claim, among other things, that the evaluations defined were conducted incorrectly. MLP considers these charges unfounded and expects to be vindicated by the relevant courts. The instructions voted for at the general meeting by 99.9 percent of the ordinary shareholders and 99.7 percent of the preference shareholders, cannot be implemented until these charges have been resolved. MLP has, however, made all necessary preparations so that the measures - which include considerable advantages for the shareholders in particular - can be implemented swiftly as soon as the cases are concluded.



Partnership



Strategy

During the business year 2000 MLP continued to work on the implementation, further development and refinement of its strategy. MLP is Private Finance, and that means: integrated services of personal advice and online finance. Online finance to MLP means: An Internet brokerage spectrum covering all aspects of the financial services sectors.

The overriding strategic corporate management variables are:

- Growth: An annual growth in earnings of approximately 30 percent.
- Quality: MLP relentlessly adheres to a focus on quality in all business divisions and as a result, leads the field in this respect. The lowest cancellation rate, the highest training intensity and the highest quota of academics working as consultants are just some examples of this.
- Training: With the foundation this year of the MLP Corporate University and its internationally acknowledged academic committee, MLP once again puts its training for consultants at the top of that provided in the financial services sector and simultaneously defines the benchmark for consultation quality within the entire market. In future, Financial Consultants who successfully complete the two year training scheme and pass the examinations will be awarded an internationally acknowledged MBA qualification.
- Costs: High quality financial consultant and client structures enable MLP to generate additional cost-to -performance advantages.
- Innovation: The use of the most up-to-date technology and the ability to customise financial concepts for its customers, adapting these to the market conditions, ensure that MLP remains several years ahead of the competition. MLP intends to increase its lead still further.
- Focus - on the target group graduates from different faculties and longterm financial concepts.
- Internationalisation: Cautious, yet determined development of business activities' expansion in Europe.
- Technology: leading edge information technology for the highest possible customer benefit.

One major reason why MLP has, for so many years, been held in such high esteem by investors, analysts and the media is the unique MLP strategy.

In 2000 MLP reached the highest level to date in its strategic development plan. MLP's objectives for 2000 were,:

- to extend the range of customer-oriented solutions by transferring the broker platforms developed in previous years onto the Internet.
- to integrate personal consultation and online finance for all financial services.
- to be the only company worldwide to combine financial services ranging from health insurance and mortgage lending through to securities brokerage into one intelligent online finance service.

These objectives were achieved in the 2000 business year.

This level in the strategic plan is the consequence of the strategic developments in previous years, with which MLP has laid the cornerstones for success in the next millennium. The objectives of the step-by-step plan were:

- The foundation and expansion of MLP production companies as brokerage platforms. This process was completed in 1996.
- To build up an intelligent MLP financial management system based on leading information technology: This enabled MLP to create a made-to-measure concept for each individual client. This process was completed in 1998.
- Connecting all branch offices and financial consultants to the MLP headquarters via the Intranet. Financial consultants can access the highly sophisticated information technology systems at the MLP headquarters and, for example, download approval for loans, or put together the initial conceptual elements for each client individually still during the actual meeting. This major strategic competitive advantage is currently being expanded further.

Current strategic direction

MLP is currently preparing the next strategic step, not least to further extend its already clear lead. The MLP subsidiaries will become increasingly more important as productive companies and be able to address customer requirements with more individualised concepts. As a result MLP will gain further independence and also force the remaining suppliers to provide even better services for the MLP clientele. At the same time these companies will also make a significant contribution to the MLP profit.

The MLP business model is the starting point for all strategic decisions. MLP customers are generally graduates, highly educated, critical and have a very promising future ahead of them. MLP enters into partnership with its clients at an early stage, usually still prior to their graduation and forms a close, long-lasting partnership. MLP clientele belong to the elite of almost ten percent in each market in terms of education, training and income. These customers represent over two-thirds of the overall accessible potential market value for financial services. Even very conservative estimates assume that the potential of an average MLP client will be multiplied over time. The requirements and possibilities for paying into pension provisions will increase, as the customers grow older and the loan requirements will also increase considerably. The customer's financial assets will also rise sharply up until the age of 45. The fact that our customers will grow older enables MLP to make reliable forecasts for profit growth.

Based solely on the current client base and the realistic assumptions concerning the development of each customer we can already calculate how building up the financial potential of the MLP customer base will affect the company over the next thirty years. In doing so we need to take into account that the number of MLP customers will continue to grow markedly as a result of internationalisation and increased market penetration.

In order to best be able to address customer requirements, MLP puts together individual modules from those available on the market, to form a concept designed precisely for each individual customer. With its information technology resources MLP is able to dismantle complete third-party products into their individual elements, to filter out the details which are of interest and importance for any one client exclusively and, so to say, put different, matching building blocks together to form a tailor-made concept. These concepts cover the entire financial personality of the MLP clients: wealth management, provisional cover, banking and insurance. The support provided by the MLP Financial Consultants and the e-platforms are completely interwoven with one another here. This in turn also means that customers can, at any time, electronically download a current overview of their asset, pension and insurance status using the MLP Finance Pilot and at the same time conduct their own transactions.

Moreover, MLP was instructed by its shareholders at the extraordinary shareholders' meeting in November 2000 to swiftly implement a new capital and holding structure. The aim of this measure is,

- to ensure a uniform share type by replacing the preference shares and hence in the future to only allow shareholders with full voting rights to have holdings in MLP
- to completely integrate the subsidiaries into the group.
- to involve all shareholders equally in the corporate success.
- to create a world standard of Corporate Governance.

MLP will continue to strive towards implementing the mandates issued by the shareholders despite the blockage initiated by two "professional shareholders" following the extraordinary shareholders' meeting, and thus continue to establish MLP as a strategically leading company.



Family



Consolidated balance sheet – as at December 31st, 2000

ASSETS	31.12.2000 euro	31.12.1999 euro
A EXPENSES FOR THE START-UP AND EXPANSION OF OPERATIONS	4,163,469.00	575,203.00
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	6,118,283.88
2. Advanced payments	11,282,303.79	5,361,582.44
	23,597,653.85	11,479,866.32
II. Tangible assets		
1. Land, leasehold rights and buildings, including buildings on non-ownwed land	24,160,710.88	24,432,226.68
2. Other fixture and fitting, office equipment	18,430,778.30	15,362,480.13
3. Advanced payments	25,423,303.66	6,451,272.58
	68,014,792.84	46,245,979.39
III. Financial assets		
1. Interests in associated companies	1.00	2,478,851.13
2. Investments held as fixed assets	25,089,765.28	22,624,891.38
3. Other loans	243,856.10	360,185.11
	25,333,622.38	25,463,927.62
IV. Investments of investment stock of unit-linked life assurance	667,715,440.62	438,176,962.85
	784,661,509.69	521,366,736.18
C CURRENT ASSETS		
I. Inventories		
Work in progress	0.00	21,364.33
	0.00	21,364.33
II. Accounts receivable and other assets		
1. Trade accounts receivable – of which overdue by more than one year: euro 25,729,619.41 previous year: euro 11,414,207.28	198,053,175.02	111,852,174.18
2. Accounts receivable due from companies in which a participating interest is held	0.00	574,789.20
3. Other assets – of which overdue by more than one year: euro 20,475,345.96 previous year euro 11,308,432.28	67,221,498.39	26,845,733.78
	265,274,673.41	139,272,697.16
III. Securities		
Other securities	28,798,322.59	38,588,512.79
IV. Cash in hand and on deposit with the German central Bank, cash in other banking accounts	34,662,125.15	73,016,306.28
	328,735,121.15	250,898,880.56
D PREPAID EXPENSES AND DEFERRED CHARGES	16,779,127.53	6,369,920.02
E DEFERRRED TAXES	3,825,000.00	7,819,200.00
	1,138,184,227.37	787,029,939.76

EQUITY AND LIABILITIES	31.12.2000 euro	31.12.1999 euro
A SHAREHOLDERS' EQUITY		
I. Subscribed capital		
1. Ordinary share	39,600,000.00	9,900,000.00
2. Non-voting preference share	39,600,000.00	9,900,000.00
	79,200,000.00	19,800,000.00
II. Capital reserves	7,582,537.64	65,648,633.06
III. Revenue reserves		
1. Legal revenue reserves	648,119.42	453,887.67
2. Other revenue reserves	50,180,164.28	34,355,068.38
3. Adjustment item from elimination of intracompany results	- 6,544,157.52	- 7,501,472.12
	44,284,126.18	27,307,483.93
IV. Adjustment item for shares of other partners	12,249,760.97	7,785,443.77
V. Consolidated net earnings	53,951,086.87	38,159,225.98
	197,267,511.66	158,700,786.74
B SPECIAL ITEM WITH ACCRUAL CHARACTER	36,361.13	0.00
C PROVISIONS AND ACCRUED LIABILITIES		
1. Provisions for pensions and similar obligations	5,297,259.82	4,931,531.44
2. Accrued taxes	33,207,661.70	25,057,115.30
3. Other provisions and accrued liabilities	4,351,725.22	3,129,091.89
	42,856,646.74	33,117,738.63
D INSURANCE RELATED RESERVES AND REPORT		
1. Insurance related reserves for unit-linked life assurance insofar as they have to be, covered by investment stock	384,912,287.22	281,278,144.42
2. Deposit liabilities resulting from the outward reinsurance business insofar as they have to be covered by investment stock	282,803,153.40	156,898,818.43
3. Other insurance related reservers	16,090,194.88	8,218,923.97
4. Other deposit liabilities resulting from the outward reinsurance business	4,523,851.09	2,436,033.95
	688,329,486.59	448,831,920.77
E LIABILITIES		
1. Liabilities due to banks	12,859,239.40	8,979,491.35
2. Advances received	5,298,613.80	4,714,595.82
3. Trade accounts payable	173,693,068.23	105,926,998.76
4. Other liabilities	17,793,286.36	26,701,671.98
– of which taxes: euro 1,631,037.51; previous year: euro 1,246,867.40		
– of which social security: euro 1,102,725.21; previous year: euro 870,889.79		
	209,644,207.43	146,322,757.91
F DEFERRED INCOME	50,013.82	56,735.71
	1,138,184,227.37	787,029,939.76

Consolidated profit and loss account from January 1st – December 31st 2000

	2000 euro	1999 euro
1. Sales revenue	255,777,426.72	218,904,696.93
2. Increase / decrease of work in progress	- 21,364.33	9,731.92
3. Other capitalised own work	3,800,000.00	0.00
4. Interest income from banking operations	8,215,603.96	2,981,371.87
5. Insurance premiums	322,590,438.16	169,211,091.20
6. Income from outward insurance business	185,357,372.28	109,546,081.47
7. Other operating income	40,639,271.65	42,049,666.09
8. Cost of materials		
a) Cost of purchased services	- 114,492,678.41	- 113,003,644.45
9. Personnel expenses		
a) Salaries and wages	- 46,217,553.63	-38,860,040.48
b) Social contributions and expenses for old age and pensions and benefits	- 7,498,632.04	- 6,276,518.77
– of which for pensions: euro 818,201.96; previous year: euro 710,385.54		
10. Depreciation		
a) Depreciation of intangible fixed assets and tangible assets, and of capitalized start -up and business expansion expenses	- 10,904,479.39	- 9,888,490.73
11. Other operation expenses	- 144,467,816.32	- 79,789,639.16
12. Expenses related to insurance reserves	- 182,822,318.24	- 225,849,761.13
13. Reinsurance premiums	- 145,351,279.64	- 79,461,509.71
14. Income from other investments and long term loans	- 568,845.10	410,962.29

	2000 euro	1999 euro
15. Income from other investments and long term loans	3,033,070.14	3,381,426.63
16. Other interest and similar income	3,136,538.45	2,337,919.45
17. Write downs on financial assets and on securities held as current assets	- 73,056.25	- 83,549.94
18. Interest and similar expenses	- 11,661,220.26	- 6,084,036.06
19. Unrealized gains from investments	8,009,240.84	88,264,629.28
20. Unrealized losses from investments	- 51,614,583.63	- 1,107,684.42
21. Profit from ordinary operations	114,865,080.96	76,692,702.28
22. Taxes on income and profit	- 52,945,839.56	- 36,028,232.50
23. Other taxes	- 65,424.39	- 361,072.06
24. Net income	61,853,817.01	40,303,397.72
25. Results carried forward	14,443,901.71	8,166,017.74
26. Transfers from revenue reserves		
a) To legal reserves	- 185,692.69	- 70,287.24
b) To other reserves	- 17,077,939.14	- 7,618,249.03
c) To the adjustment item from elimination of intracompany results	- 957,314.60	- 1,144,472.04
27. Shares of other shareholders in results for the year		
a) Profit shares	- 4,605,738.40	- 2,067,921.53
b) Loss shares	480,052.98	590,740.36
28. UNAPPROPRIATED RETAINED EARNINGS	53,951,086.87	38,159,225.98

Group appendix for the 2000 business year

Initial consolidation and consolidation methods

Notes on the consolidated Financial Statements

The company prepared consolidated financial statements in accordance with the provisions of the German Commercial Code (HGB) for the first time for the year ended December 31, 1992. The equity consolidation was made at the time of initial inclusion of the subsidiaries in the consolidated financial statements (§ 301 (2) s. 1 HGB).

The initial consolidation of all companies included in the consolidated financial statements was made using the purchase method as set out in § 301 (1) no. 1 HGB to the extent these companies were fully consolidated.

Differences arising on initial consolidation were offset directly against reserves as permitted by § 309 (1) s. 3 HGB.

MLP-Lebensversicherung AG, Vienna, Austria has been proportionately consolidated using the purchase method as set out in § 310 (2) HGB in connection with § 310 (1) no. 1 HGB. The difference arising on the first-time inclusion in the consolidated financial statements between the book value of the investment and the parent company's share of equity has been offset directly against the Group's revenue reserves.

Investments in associated companies are included at book value using the purchase method as set out in § 312 (1) s. 1 no. 1 HGB.

Investments in associated companies in the years after initial consolidation are increased or decreased by the change in equity of the associated companies in proportion to the percentage of their equity held by the Group.

Interest held in associated companies

MLP-Lebensversicherung AG, Vienna, Austria

Investments in associates included MLP-Lebensversicherung AG, Vienna, Austria up to December 31, 1999. This investment was included as an associated company for the first time for the year ended December 31, 1997.

The company is indirectly held within the Group, as the shares are owned by MLP Lebensversicherung AG, Heidelberg.

The investment in MLP-Lebensversicherung AG, Vienna, Austria was stated at book value using the purchase method.

Up to December 31, 1999 the investment was stated using the multiplying method, so that the indirect holding of the Group differed from the investment held by MLP Lebensversicherung AG, Heidelberg. As a result of this approach an amount was included for minority interests in this indirectly-held investment.

MLP-Lebensversicherung AG, Vienna has been proportionately consolidated for the year ended December 31, 2000.

DIGNOS EDV-GmbH

The investment in DIGNOS EDV-GmbH is stated at-equity.

The company was first included in the consolidated financial statements for the year ended December 31, 1998. The purchase method was used for the initial consolidation.

As the amount of the investment at December 31, 1999 only included the Group's proportionate share of results for 1998, the Group's share of the loss for 1999 was reflected in the consolidated financial statements for the year ended December 31, 2000.

At the time of preparation of the consolidated financial statements for the year ended December 31, 2000 the financial statements of DIGNOS EDV-GmbH for the same year had not been finally prepared. Based on preliminary figures, it is estimated that the loss for the year will be DM 3 million (euro 1.5 million). The Group's expected share of losses thus exceeds the balance of the investment in the Group balance sheet. The investment has thus been recognised at a nominal euro 1 in the consolidated financial statements.

Elimination of intercompany profits and losses

The balance arising from the elimination of intercompany profits and losses was shown as part of revenue reserves for the first time in the consolidated financial statements for the year ended December 31, 1998. This amount includes all intercompany profits and losses eliminated since the first-time preparation of the consolidated financial statements for the year ended December 31, 1992.

One of the purposes of this consolidation adjustment item is to enhance transparency. Since the elimination of intercompany profits and losses relates almost solely to software produced within the Group and its amortisation, this item also serves to indicate the extent of the development work carried out by MLP Group in this area.

The change in the balance relating to intercompany profits and losses eliminated is shown in the income statement as an appropriation of earnings for the year.

Accounting policies and foreign currency translation

General

The consolidated financial statements have been prepared in accordance with § 290 et seq. HGB and the relevant provisions of the German Stock Corporation Law (AktG).

The income statement have been prepared using the type of cost classification method as set out in § 275 (2) HGB.

The classification and description of individual captions in the consolidated balance sheet and income statement have been adapted in specific cases to take account of the special nature of certain business activities within the MLP Group.

Such items have to be reported in the annual financial statements of MLP Lebensversicherung AG, Heidelberg and MLP-Lebensversicherung AG, Vienna, Austria in accordance with the accounting regulations for insurance companies, and in the financial statements of MLP Bank AG in accordance with the accounting regulations for banks.

The assets and liabilities of MLP Lebensversicherung AG and MLP-Lebensversicherung AG, Vienna, Austria and of MLP Bank AG are stated in accordance with the accounting principles applicable to insurance companies and banks.

Reserves set up by subsidiaries since their initial consolidation are included in reserves of the Group to the extent they are attributable to the share of equity held by the Group.

Receivables and payables between consolidated companies are eliminated. Intercompany revenues and other income are offset against the appropriate expense items in the consolidated income statement.

The consolidated financial statements and combined Group management report have been prepared in euro since December 31, 1999. The translation of the local currencies of those companies included in the consolidated financial statements into euro has been made using official exchange rates fixed on January 1, 1999.

Receivables and payables in foreign currency are stated at the lower, or higher, respectively of the booking date rate and year-end rate.

Changes in accounting policies compared with the previous year
Proportional consolidation of MLP-Lebensversicherung AG, Vienna, Austria

MLP-Lebensversicherung AG, Vienna, Austria has been included in the consolidated financial statements using the proportionate consolidation method as set out in § 310 HGB for the first time for the year ended December 31, 2000. Assets, liabilities, prepaid expenses, deferred items and untaxed reserves are included in the consolidated financial statements in the proportion of the investment of MLP Lebensversicherung AG in the company. The same applies for items of expenses and income in the income statement. Prior period figures were not adjusted

If revenues and income of MLP-Lebensversicherung AG, Vienna, Austria for 1999 had been included in using the proportionate method the consolidated financial statements for the year ended December 31, 1999 would have shown the following income amounts:

	teur
Revenues	218,905
Increase/decrease in work-in progress	10
Interest income from banking operations	2,981
Insurance premiums	194,0911
Income from outward reinsurance business	118,606
Other operating income	45,704
	580,297

Until December 31, 1999 MLP-Lebensversicherung AG, Vienna, Austria was included in the consolidated financial statements at equity as an associated company.

Adjustment for deferred taxes

Deferred taxes, included in the balance sheet as part of tax assets and liabilities, have been calculated using an income tax rate which was decreased from 45% at December 31, 1999 to 39% at December 31, 2000. The effect of this adjustment in 2000 was euro 1,042,560.00.

Accounting policies relating to specific financial statement opinions

Depreciable items in non-current assets are stated at acquisition or production cost less systematic depreciation.

Acquisition or production cost includes that part of value added tax which relates to additions to non-current assets which cannot be deducted as input value added tax. Depreciation is charged at tax-allowed rates, based on estimated useful lives using the straight-line method, over the following periods:

Start-up and business expansion costs	4 years
Concessions, trademarks and similar rights and assets and licences in such rights and assets	5 years
Administration buildings	25 years
Land improvements	15-25 years
Leasehold improvements	Duration of lease
Fixtures and fittings	5-10 years
EDP hardware / EDP cabling	5-10 years
Office furniture and equipment	5-10 years
Automobiles	5 years

Minor-value assets with an acquisition cost of up to euro 409.03 are fully depreciated and shown as disposals in the year of their acquisition.

For moveable items of property, plant and equipment a full year's depreciation is charged for additions made in the first half of the year and a half year's depreciation is charged for additions made in the second half of the year.

Securities held as non-current assets shown under financial assets are stated at the lower of their acquisition cost or recoverable amount.

Other loans are shown at nominal value less any allowances required.

Investments (in this case investment fund shares) required to cover obligations from unit-linked life assurance policies are allocated to the investment fund making up the investment reserve fund for unit-linked life assurance policies. The investment reserve fund is stated at fair value. Receivables are stated at nominal value less specific allowances for bad and doubtful debts. No general allowance has been set up.

Liquid funds are stated at nominal value.

Deferred taxes have been set up on intercompany profit eliminations which mainly relate to software developed within the Group. An average tax rate of 39% was used to calculate this item.

Pension provisions have been set up for obligations arising from the company pension scheme calculated actuarially using the entry-age-normal method as set out in § 6a of the German Income Tax Law (EStG), using a discount rate of 6% and mortality tables issued by Dr. Klaus Heubeck. The new mortality tables published in 1998 were used for the first time in 1999. The resulting adjustment to the provision is being made over three years in accordance with § 6a (4) sentence 2 EStG.

Provisions and accruals are set up for uncertain liabilities to the extent required based on prudent business judgement.

Technical reserves for life insurance policies and deposit liabilities resulting from outward reinsurance business, in both cases so far as the investment risk is borne by the policyholder, equal the total of individual premium reserves. The premium reserve is made up of investment fund shares in the investment reserve fund stated at fair market values at the end of the year.

Liabilities are stated at their repayment amount.

Notes on the consolidated balance sheet and consolidated income statement

Notes on the consolidated balance sheet

A statement of movements on non-current assets and capitalised start-up and business expansion costs, showing depreciation for 2000, is set out on page 74 and 75 of these notes.

Capitalised start-up and business expansion costs relate to start-up costs for the non-life business of MLP Versicherung AG capitalised in 1998. This item, recognised in accordance with § 269 HGB, is being amortised over four years from 1999, as set out in § 282 HGB. The caption also includes expenses incurred in 2000 of euro 1.8 million for expanding MLP Versicherung AG's operations and of euro 2 million for MLP Login GmbH.

Prepaid expenses include loan discounts of euro 187,500.00.

The subscribed capital is made up of 39,600,000 ordinary shares and 39,600,000 preference shares.

In accordance with a resolution passed by the annual general meeting of Marschollek, Lautenschläger und Partner AG on May 15, 2000 the ordinary share capital of the parent company was increased from euro 19,800,000.00 to euro 79,200,000.00 out of reserves in accordance with the requirements of the German Stock Corporation Law. The increase was made by converting part of capital reserves (euro 58,066,095.42) and part of revenue reserves (euro 1,333,904.58). The capital increase was entered in the commercial register on June 27, 2000.

In a resolution passed by the annual general meeting on May 15, 2000 the executive board was empowered up to December 31, 2004 to increase the share capital by the issue of ordinary shares and/or preference shares for cash or benefits-in-kind in one or more tranches, up to a maximum of euro 7,920,000.00.

Movements on revenue reserves during the year were as follows:

	Legal reserves euro	Other revenue reserves euro	Total euro
Balance at 01.01.2000	453,887.67	34,355,068.38	34,808,956.05
Transfer by annual general meeting	0.00	19,061,243.56	19,061,243.56
Withdrawal for capital increase	0.00	- 1,333,904.58	- 1,333,904.58
Transfer from earnings	404,043.11	0.00	404,043.11
Consolidation adjustments	- 209,811.36	- 1,902,243.08	- 2,112,054.44
	648,119.42	50,180,164.28	50,828,283.70

The change in legal reserves and other revenue reserves as a result of consolidation adjustments was made up as follows:

	euro
Minority interes share of additions to legal reserves and other revenue reserves	- 2,286,913.89
Group share of legal reserves and other revenue resewrves at December 31, 2000 of MLP-Lebensversicherung AG, Vienna, Austria	173,643.42
De-consolidation of the equity method of MLP-Lebensversicherung AG, Vienna, Austria	214,006.70
Goodwill on first-time proportionate consolidation of MLP-Lebensversicherung AG, Vienna, Austria in the consolidated financial statements	- 211,763.43
Other consolidation adjustements	- 1,027.24
	- 2,112,054.44

Movements in unappropriated retained earnings during the year were as follows:

	31.12.2000 euro	31.12.1999 euro
Opening balance of unappropriated retained earnings	38,159,225.98	26,032,191.76
Dividend distribution MLP Lebensversicherung AG, Heidelberg	- 152,004.91	- 162,890.88
Dividend distribution Marschollek, Lautenschläger und Partner AG	- 23,562,000.00	- 17,716,263.67
Transfer to revenue reserves Marschollek, Lautenschläger und Partner AG	- 15,300,000.00	- 7,618,249.03
Transfer to revenue reserves MLP Lebensversicherung AG, Heidelberg	- 923,734.20	0.00
Transfer to revenue reserves MLP Vermögensverwaltung AG	- 771,924.65	0.00
Transfer to revenue reserves MLP-Lebensversicherung AG, Vienna, Österreich	- 82,280.29	0.00
Transfer to legal reserve MLP Lebensversicherung AG, Heidelberg	- 86,596.06	- 47,911.15
Transfer to legal reserve MLP Vermögensverwaltung AG	- 96,117.87	- 22,376.09
Net earnings for the year	61,853,817.01	40,303,397.72
De-consolidation of equity method MLP-Lebensversicherung AG, Vienna, Österreich	- 283,764.00	0.00
Opening balance of earnings MLP-Lebensversicherung AG, Vienna, Österreich	293,850.25	0.00
Intercompany eliminations	- 957,314.60	- 1,144,472.04
Minority interests	- 4,125,685.52	- 1,477,181.17
Other consolidation adjustments	- 11,405.51	12,980.53
Unappropriated retained earnings at the end of the year	53,951,086.87	38,159,225.98

Other provisions and accruals include obligations for vacation pay of employees for 2000 (euro 1,684,000), audit and tax advisory fees (euro 698,000), trade chamber fees (euro 380,000), costs for preparing the financial statements (euro 254,000), employer's occupational accident insurance scheme (euro 223,000), deposit insurance fund premiums, severely handicapped persons levy, court cases and outstanding invoices.

On-account payments consist mainly of liabilities of MLP Lebensversicherung AG from insurance policies sold to policyholders of euro 4,585,000.

The remaining terms of liabilities are set out in the statement of movements in liabilities on page 76.

Notes on the consolidated income statement

Revenues are made up as follows:

	2000 teur	1999 teur
Life insurance	136,033	133,686
Health insurance	41,971	34,855
Investments	48,573	23,722
Non-life insurance	16,953	16,168
Other revenues	12,247	10,474
Total	255,777	218,905

Insurance premiums are made up as follows:

	2000 teur	1999 teur
Gross premiums booked	323,387	169,136
Change in gross premiums carried forward	- 3,682	- 1,548
Premiums from gross provisions for premium refunds	2,885	1,623
Total	322,590	169,211

“Other operating expenses” consist of the following items:

	2000 teur	1999 teur
EDP Costs	31,198	18,923
Other insurance technical expenses	23,524	15,032
Office costs	14,220	11,319
Communication expenses	8,811	5,482
Training and Seminars	5,199	4,186
Office materials	4,061	4,124
Losses on disposals within the MLP Lebensversicherung AG, Heidelberg investment fund	23,651	3,834
Other	33,804	16,890
	144,468	79,790

Statement of cash flows

The following statement of cash flows sets out the financial position of the Group, showing changes in net cash and cash equivalents. It was prepared for the first time in accordance with German Accounting Standard no. 2.

As a result of the first-time proportionate consolidation of MLP-Lebensversicherung AG, Vienna, Austria the amounts shown in the statement of cash flows are not always determinable from opening and closing balances in the balance sheet and income statement. This is due to the fact that prior period figures in the balance sheet and income statement do not include a proportionate share of the assets and liabilities, income and expenses of MLP-Lebensversicherung AG, Vienna, Austria.

Statement of cash flow

The financial position is shown in the following flow of funds analysis which bases net financial assets on financial resources funds:

	2000 teur
CHANGE IN NET CASH FROM OPERATING ACTIVITIES	
Net earnings for the year	61,853.8
Plus (less) expenses (income) which do not reduce (increase) net cash	
– Capitalised start-up and business expansion expenses	- 3,800.0
– Amortisation of capitalised start-up and business expansion expenses	191.7
– Amortisatio of intangible assets	3,090.4
– Depreciation of property, plant and equipement	7,622.3
– Write-downs of financial assets	18.0
– Write-ups of property, plant and equipement	- 184.1
– Write-ups of finanacial assets	- 1.0
– Addition to (release of) pension provisions, net	364.4
– Loss on investments in associated companies	568.8
– Gain on part-sale of consolidatet companies	- 10,025.6
– Gains/loss on disposals of items in non-current assets	177.1
	- 1,978.0
Plus (less) decreases (increases) in current assets other than liquid funds	
– Inventories	21.4
– Trade accounts receivable	- 85,060.3
– Receivables from companies in which a participating interest is held	574.8
– Other assets	- 40,373.5
– Prepaid expenses	- 10,393.5
– Deferred tax assets	3,994.2
	- 131,236.9
Plus (less) increase (decrease) in current liabilities	
– Tax accruals and liabilities	7,983.5
– Other provisions and accruals	1,041.7
– Other insurance tecnical reswerves	9,728.8
– On-account payments received	584.0
– Trade accounts payable	67,103.4
– Other liabilities	- 9,681.0
– Deferred income	- 6.7
	76,753.7
Increase (decrease) in net cash from operating activities	5,392.6
CASH FLOWS FROM INVESTING ACTIVITIES	
– Proceeds from sales of property, plant and equipement	222.3
– Purchases of property, plant and equipement	- 29,555.0
– Purchases of intangible assets	- 15,156.7
– Proceeds from disposals of financial assets	1,759.2
– Purchases of financial assets	- 3,492.0
– Proceeds from part-sale of consolidated companies	10,037.9
Net cash used in investigating activities	- 36,184.3

	2000 teur
CASH FLOW FROM INSURANCE BUSINESS	
– Addition to technical reserves	180,216.3
– Unrealised gains on items in investment fund	- 8,009.2
– unrealised losses on items in investment fund	51,614.6
Net cash from insurance business	223,821.7
CASH FLOWS FROM INSURANCE-LINKED INVESTING ACTIVITIES	
– Additions to investments in investment reserve fund	-1,963,627.5
– Proceeds from disposals of investments in investment reserve fund	1,739,698.2
– Gains on disposals of investment in investment reserve fund	- 25,725.5
– Losses on disposals of investments in investment reserve fund	25,833.1
Net cash used in insurance-linked investing activities	- 223,821.7
CASH FLOWS FROM FINANCING ACTIVITIES	
– Dividend distribution MLP AG	- 23,562.0
– Dividend distribution MLP Lebensversicherung AG, Germany	- 228.6
– Proceeds from new loans drawn down	3,118.7
– Proceeds from cancellation reserves	42.7
Net cash used in financing activities	- 20,629.2
CASH FLOWS FROM CONSOLIDATION ADJUSTMENTS	
– Adjustments arising from first-time proportionate consolidation of MLP-Lebensversicherung AG, Austria	334.9
Net decrease in cash equivalents	- 51,086.0
Liquid funds at December 31, 2000	34,662.1
Short-term securities at December 31, 2000	28,798.3
Bank overdrafts at December 31, 2000	1,662.1
Liquid funds at January 1, 2000	73,934.3
Short-term securities at January 1, 2000	39,851.0
Bank overdrafts at January 1, 2000	901.0
	- 51,086.0

Liquid funds consist of cash, Bundesbank balances and bank balances shown in the balance sheet short-term securities are shown as securities in the balance sheet. Overdrafts are included in liabilities with a remaining term of less than one year.

Segment reporting

General disclosures

Standards promulgated by the German Accounting Standards Committee have been used in preparing these segment reporting disclosures.

We refer to the segment reporting schedule on pages 70 and 71 of these notes. Marschollek, Lautenschläger und Partner AG has the following reportable operating segments: financial services, life assurance, non-life insurance, and banking & asset management.

The operating segments are made up of the individual companies within the MLP Group. The reportable segments represent strategic Group segments which differ in the services and products they offer as well as their regulatory environment.

The financial services segment is engaged in commercial advisory services, particularly relating to insurance, investments and financing of all types, as well as acting as brokers for such financial services. The segment is operated by MLP Finanzdienstleistungen AG.

The product and service range of the life insurance segment includes various types of life assurance policies, annuity business and the administration of pension funds. Compared with 1999, the life insurance segment includes not only MLP Lebensversicherung AG, Heidelberg, but also the proportionately (50%) consolidated MLP-Lebensversicherung AG, Vienna, Austria. Figures for 1999 have been adjusted to reflect the new make-up of this segment.

Non-life business has been shown as a separate segment for the first time in 2000. The activities of this segment include the design and marketing of casualty and accident insurance products. The segment is operated by MLP Versicherung AG, which changed its name and legal form from MLP Service GmbH in 2000.

The business activities of the banking & asset management segment includes financial portfolio administration, loan and credit card business, advice on investment decisions relating to investment funds as well as the design and implementation of new financial products for the MLP Group. The segment is made up of MLP Bank AG and MLP Vermögensverwaltung AG.

Other segments include MLP Login GmbH (to 31.12.1999 MLP Assekuranzmakler GmbH), MLP Consult GmbH and MLP Media GmbH Verlag und Werbeagentur. MLP Service GmbH was also included in this segment in 1999.

If one segment is made up of a number of companies, any intercompany transactions are eliminated as consolidation adjustments.

The recognition and measurement policies used are substantially the same as those used in the consolidated financial statements.

Intra-segment services are normally calculated at arm's length prices. Group charges consist of actual costs incurred plus a reasonable uplift for overheads.

Segment information disclosures

Revenues of the life insurance segment include additional insurance premiums and income from outward reinsurance business. Revenues in the non-life segment mainly consist of commission income from insurance policies administered. Revenues of the banking & asset management segment include interest and commission income.

Revenues are mainly achieved in Germany. In the financial services segment significant revenues are also recorded in Austria and in Switzerland. The life assurance segment also has revenues in Austria via MLP-Lebensversicherung AG, Vienna.

Segment results represent results from ordinary operating activities.

Depreciation includes systematic depreciation and impairment write-downs of intangible assets, property, plant and equipment, financial assets and securities included in current assets. Other non-cash items include write-ups, internal costs capitalised and changes to pension provisions. Interest expense of the banking & asset management segment is shown as cost of materials in the consolidated statement of income. However, in order to improve comparability, these are shown as interest expense in the segment disclosures. There are no other investments as defined in § 271 (1) HGB in 1999 and 2000.

Assets are made up of non-current and current assets, including investments in associated companies. On-account payments, construction-in-progress and loans are not included in assets.

Capital expenditures in non-current assets relate to the acquisition cost of additions to intangible assets and property, plant and equipment, excluding on-account payments and construction-in-progress, together with additions to securities in non-current assets.

Liabilities are made up of provisions and accruals and liabilities. 50 % of untaxed reserves are included in liabilities.

Cash flows are the total of net earnings for the year, depreciation, items not requiring cash and results of investments in associated companies. In determining the cash flows of the financial services segment, net earnings for the year before profit transfers have been used.

Reconciling items

The total of individual segment disclosures of revenues with third parties, segment results, assets, capital expenditures in non-current assets and liabilities differ considerably from the amounts shown in the consolidated financial statements, due to consolidation adjustments and amounts stated in the balance sheet of the parent company Marschollek, Lautenschläger und Partner AG.

The reconciling items for 1999 were also significantly influenced by the fact that MLP-Lebensversicherung AG, Vienna, Austria was proportionately consolidated into the life insurance segment, but was included at equity in the consolidated financial statements.

Casualty and accident insurance business was included in the non-life insurance segment from January 1, 2001.



Additional disclosures relating to life and non-life insurance business

	Life insurance 2000 teur	1999 teur	Non-life insurance 2000 teur
Gross premiums from insurance business with third parties	323,387	194,045	0
Net premiums earned	175,718	106,418	0
Income from investments	3,593	4,504	0
Other insurance-technical income, net	459	5,915	0
Expenses for insurance claims, net	- 9,016	- 7,362	0
Expenses for premium repayments, net	- 6,071	- 2,261	0
Expenses for insurance operations, net	- 28,631	- 22,878	0
Other insurance-technical expenses, net	- 15,338	- 9,625	0
Intangible Assets	3,817	2,192	2,813
Investments	20,399	15,519	0
Investments for the account, and at the risk, of life insurance policyholders	667,715	487,499	0
Insurance-technical reserves, net	16,076	8,442	0
Insurance-technical reserves for life-insurance to the extend the investment risk is borne by the policyholders	384,912	318,136	0
Other liabilities	371,026	222,060	4,151

There was no gross premium income from insurance transactions with other segments.

Intangible assets do not include on-account payments. There is no item for goodwill.

Investments includes securities and deposits with banks.

Other liabilities include non-insurance-technical reserves, deposit liabilities from outward reinsurance business and other liabilities.

Net interest margin is the balance of interest income and interest expense.

Additional disclosures for the banking segment

	Bank 2000 teur	Bank 1999 teur
Net interest margin	2,536	973
Risk allowance	- 616	- 264
Commission income, net	7,778	3,596
Administrative expenses	- 9,716	- 5,609
Profit net of risk allowances	318	226
Assets	137,081	68,340
Liabilities	131,501	68,136
Risk assets	157,146	87,837
Allocated capital	9,916	4,824
Return on allocated capital	2.09 %	- 5.91 %
Income/expense ratio	0.91	0.92

The risk allowances are made up of specific and general allowances on receivables and additions to provisions and accruals relating to the loan business. No risk allowance was set up in accordance with § 340f HGB.

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

The bank did not carry out any financial trading operations.

Administrative expenses include personnel expense and other administrative expenses.

Profit net of risk allowances is the total of net interest margin, risk allowances, commission income, administrative expenses and the balance of other operating expenses and income.

Assets include cash reserves and receivables from banks and customers.

Liabilities are made up of liabilities to banks and customers.

Regulatory risk positions consist solely of risk assets. Risk assets include on-balance-sheet assets and off-balance-sheet items (§ 19 (1) KWG).

Other notes

Other financial commitments not shown

At December 31st there were the following financial commitments arising from rental and leasing contracts:

2001 teur	2002 teur	2003 teur	2004 teur	2005 teur	Subsequent years teur
13,219.7	8,552.3	3,694.8	713.7	0.0	0.0

In addition, all the offices at MLP Finanzdienstleistungen AG 220 branches are rented. The rental contracts generally have a period of between 5 and 10 years. As a result, the remaining terms of the rental contracts lie between 1-10 years. Currently, rental payments (including advance payments for supplementary costs) are approximately euro 13,625,000 p.a.

Furthermore, Marschollek, Lautenschläger und Partner AG has outstanding commitments in connection with the Wiesloch construction project (1st. construction phase) of euro 10,496,959.12, which is not shown on the face of the balance sheet.

Two interest swaps were entered into in August 1999 in order to hedge long-term interest rates in connection with the planned financing of the new building at Wiesloch, which are deemed to be at reasonable rates. These are coupon swaps in which Marschollek, Lautenschläger und Partner AG is the fixed payer (payer swap). Key data relating to the swaps is as follows:

	1st contract	2nd contract
Settlement date	August 12, 1999	August 12, 1999
Commencement date	15. January 15, 2001	Juli 16, 2001
Expiry date	January 17, 2011	January 17, 2011
Nominal amount euro	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
Invoice/Clearing	Half-yearly	Half-yearly

To the extent the contracts are not hedged by appropriate underlying transactions Marschollek, Lautenschläger und Partner AG is required to make fixed-interest rate payments of the appropriate amounts to the bank. In return, Marschollek, Lautenschläger und Partner AG receives interest at Euribor interest rates. Euribor for the 1st. contract and first interest period (15.01.2001-16.07.2001) is 4.704% p.a.. This results in a higher interest charge for the 1st. contract and the first interest-rate period of euro 176,476.67.

When financing the construction phases over the next few years, a bond or securitised loan is to be issued at Euribor for the same as the amounts underlying the interest swap. Interest on the bond or securitised loan can then be paid with the interest which Marschollek, Lautenschläger und Partner AG receives from the bank from the interest swap, as both interest payment streams are based on Euribor. The two payment streams are thus matched, and payment of the fixed-interest rate remains. As it is estimated that fixed-interest loans will be subject to increasing interest rates, the long-term interest rate which was deemed to be reasonable in August 1999 could be hedged. At December 31, 2000 the market values of both contracts were a negative euro -1,874,812.00. The contracts are directly related to the planned financing of the construction project.

To the extent financing of the construction project is not made at the conditions planned financial obligations will arise as from the commencement date mentioned above to the extent the fixed-interest rate exceeds the appropriate Euribor interest rate.

Executive board, supervisory board

The total remuneration of current and former members of management (§ 314 (1) nos. 6 a and b HGB) totalled euro 5,581,951.92 for 2000.

Supervisory board members' fees for 2000 amounted to euro 39,150.00.

Number of employees

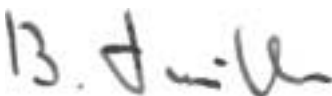
In 2000 the average number of persons employed, calculated in accordance with § 267 (5) HGB, was 1,411, of which were 978 full-time and part-time, 63 on parental leave and 370 persons were employed as temporary staff. In addition, there were an average of 61 apprentices being trained.

List of shareholdings

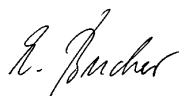
We refer to pages 72 and 78 of these notes for a list of shareholdings.

Heidelberg, March 21st, 2001

The Executive board



Dr. Bernhard Termühlen



Eugen Bucher



Gerd Frieg

Auditor's report

"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, 2000. 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 § 317 HGB („German Commercial Code“) and the German generally accepted standards 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."

Düsseldorf, March 21st, 2001

Rölf's WP Partner AG
Wirtschaftsprüfungsgesellschaft



Georg van Hall
– German certified auditor –



Thomas Budde
– German certified auditor –

Segment reporting

(All amounts in thousands of euro)

	FINANCIAL SERVICES		LIFE ASSURANCE		NON-LIFE INSURANCE	BANKING & ASSET MANAGEMENT	
	2000	1999	2000	1999	2000	2000	1999
THIRD-PARTY REVENUES	208,874	195,718	511,237	314,098	8,689	43,141	17,959
INTRA-SEGMENT REVENUES	82,598	66,986	0	0	0	676	983
SEGMENT RESULTS including:	88,116	68,833	9,183	5,129	- 131	8,169	1,584
DEPRECIATION	- 10,978	- 9,642	- 1,636	- 1,581	- 1.678	- 239	- 187
OTHER NON-CASH ITEMS	135	29	- 100	- 95	1.707	- 235	- 226
INTEREST INCOME	593	272	1,014	366	1	8,247	2,998
INTEREST EXPENSE	- 1,768	- 918	- 8,744	- 6,481	- 9	- 6,005	- 2,138
RESULTS OF INVESTMENTS IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0
ASSETS	130,134	82,580	767,846	545,925	7.387	153,337	83.346
CAPITAL EXPENDITURES ON NON-CURRENT ASSETS	14,073	14,010	4,160	6,579	938	503	5.042
LIABILITIES	127,356	76,605	774,713	548,749	4.151	146,962	80.375
CASH FLOWS	97,948	78,010	6,471	4,398	123	4,525	1023

OTHER SEGMENTS		TOTAL		ADJUSTMENTS		GROUP	
2000	1999	2000	1999	2000	1999	2000	1999
0	8,375	771,941	536,150	0	- 35,507	771,941	500,643
599	21,430	83,873	89,399				
- 1,876	741	103,461	76,287	11,404	406	114,865	76,693
- 376	- 1,603	- 14,907	- 13,013	4,121	3,693	- 10,786	- 9,320
2,000	476	3,507	184	111	- 63	3,618	- 121
257	118	10,112	3,754	1,240	1,565	11,352	5,319
338	- 366	- 16,188	- 9,903	- 187	2,834	- 16,375	- 7,069
- 569	0	- 569	0	0	411	- 569	411
8,018	16,002	1,066,722	727,853	9,725	32,240	1,076,447	760,093
3,287	1,218	22,961	26,849	- 6,458	2,983	16,503	29,832
10,228	10,622	1,063,410	716,351	- 122,561	- 88,079	940,849	628,272
- 3,881	1,820	105,186	85,251	- 35,596	- 36,160	69,590	49,091

Associated companies

COMPANY	BALANCE AT 01,01,2000 euro	ADDITION euro	DISPOSAL euro	BALANCE AT 31,12,2000 euro
MLP FINANZDIENSTLEISTUNGEN AG, HEIDELBERG	10,225,837.62	--	--	10,225,837.62
MLP LEBENSVERSICHERUNG AG, HEIDELBERG	1,343,353.59	--	12,309.14	1,331,044.45
MLP VERMÖGENSVERWALTUNG AG, HEIDELBERG	1,278,485.35	--	--	1,278,485.35
MLP BANK AG, HEIDELBERG	6,144,771.78	4,884,524.73	--	11,029,296.51
MLP LOGIN GMBH, HEIDELBERG	193,268.33	--	--	193,268.33
MLP VERSICHERUNG AG, HEIDELBERG	3,148,418.09	226,800.00	--	3,375,218.09
MLP CONSULT GMBH, HEIDELBERG	3,333,623.05	--	--	3,333,623.05
MLP MEDIA GMBH VERLAG UND WERBEAGENTUR, HEIDELBERG	25,564.59	--	--	25,564.59
TOTAL OF RELATED COMPANIES				
ASSOCIATED COMPANIES				
MLP-LEBENSVERSICHERUNG AG, VIENNA, AUSTRIA	2,349,716.04	--	2,349,716.04	--
DIGNOS EDV-GMBH, MÖRFELDEN-WALLDORF	129,135.09	--	129,134.09	1.0
TOTAL ASSOCIATED COMPANIES				
PROPORTIONALLY-CONSOLIDATED COMPANIES				
MLP-LEBENSVERSICHERUNG AG, VIENNA, AUSTRIA		2,183,756.20		2,183,756.20
TOTAL OF ALL COMPANIES				

1) final financial statements for 2000 not available

SUBSCRIBED CAPITAL	SHARES	HOLDING NET PROFIT/LOSS FOR THE YEAR euro	MINORITY INTEREST SHARES IN PROFIT euro	MINORITY INTEREST SHARES IN LOSSES euro
6,000,000.00	100,00%	--	--	--
15,000,000.00 (of which payed in 5,413,277.23)	a) Ordinary shares: 50%+60 shares b) Non-voting preference shares: 29,1309%)	4,157,995.35	2,192,687.07	--
3,000,000.00	50,01%	3,843,946.19	1,921,588.69	--
10,000,000.00	50,01%	207,453.88	103,707.59	--
255,645.94	50,40%	- 967,848.77	--	480,052.98
16,500,000.00 (of which payed in 4,508,468.91)	50,40%	151,753.08	- 30,350.72	--
2,045,167.52	100,00%	133,604.42	--	--
25,564.59	100,00%	--	--	--
			4,248,334.07	480,052.98
--	--	--	--	--
511,291.88	40,00%	1)	--	--
			--	--
6,540,555.08 (of which payed in 4,360,370.05)	20,82637%	1,224,481.26	357,404.33	--
			4,605,738.40	480,052.98

Movements on start-up and business expansion expenses and non-current assets in 2000

	ACQUISITION COST						31.12.2000
	01.01.2000	FIRST-TIME CONSOLIDATION OF MLP- LEBENSVERSICHERUNG AG, AUSTRIA	01.01.2000	ADDITIONS	DISPOSALS	RECLASSIFICATIONS	
	euro	euro	euro	euro	euro	euro	
A. START-UP AND BUSINESS EXPANSION EXPENSES	766,937.82		766,937.82	3,800,000.00	0.00	0.00	4,566,937.82
B. NON-CURRENT ASSETS							
I. INTANGIBLE ASSETS							
1. Concessions, trademarks and similar rights and values and licences for such rights and values	16,006,114.65	498,875.07	16,504,989.72	2,940,191.74	331,333.79	6,295,742.10	25,409,589.77
2. On-account payments	5,361,582.44	0.00	5,361,582.44	12,216,463.45	0.00	- 6,295,742.10	11,282,303.79
	21,367,697.09	498,875.07	21,866,572.16	15,156,655.19	331,333.79	0.00	36,691,893.56
II. PROPERTY, PLANT AND EQUIPMENT							
1. Land, similar rights and buildings including buildings on leasehold land	34,666,550.34	0.00	34,666,50.34	1,891,783.97	262,547.73	62,592.73	36,358,379.31
2. Other equipment, factory and office fixtures and fittings	39,415,047.45	45,564.36	39,460,611.81	8,618,515.60	1,941,019.94	10,110.08	46,148,217.55
3. On-account payments and construction-in-progress	6,451,272.58	0.00	6,451,272.58	19,044,733.89	0.00	- 72,702.81	25,423,303.66
	80,532,870.37	45,564.36	80,578,434.73	29,555,033.46	2,203,567.67	0.00	107,929,900.52
III. FINANCIAL ASSETS							
1. Investments in associated companies	2,478,851.13	- 2,349,716.04	129,135.09	439,711.01	568,845.10	0.00	1.00
2. Securities in non-current assets	22,624,891.38	1,090,001.67	23,714,893.05	3,052,333.28	1,660,524.45	0.00	25,106,701.88
3. Other loans	360,185.11	0.00	360,185.11	0.00	116,329.01	0.00	243,856.10
4. Investments in investment reserve funds	438,176,962.85	49,322,207.32	487,499,170.17	1,963,627,496.27	1,739,805,883.03	0.00	711,320,783.41
	463,640,890.47	48,062,492.95	511,703,383.42	1,967,119,540.56	1,742,151,581.59	0.00	736,671,342.39
	565,541,457.93	48,606,932.38	614,148,390.31	2,011,831,229.21	1,744,686,483.05	0.00	881,293,136.47

DEPRECIATION/WRITE-UPS							BOOK VALUES	
01.01.2000	FIRST-TIME CONSOLIDATION OF MLP- LEBENSVERSICHERUNG AG, AUSTRIA	01.01.2000	ADDITIONS	DISPOSALS	RECLASSIFICATIONS	31.12.2000	31.12.2000	31.12.1999
euro	euro	euro	euro	euro	euro	euro	euro	euro
191,734.82	0.00	191,734.82	191,734.00	0.00	0.00	383,468.82	4,183,469.00	575,203.00
9,887,830.77	446,345.76	10,334,176.53	3,090,406.98	330,343.80	0.00	13,094,239.71	12,315,350.06	6,118,283.88
0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,282,303.79	5,361,582.44
9,887,830.77	446,345.76	10,334,176.53	3,090,406.79	330,343.86	0.00	13,094,239.71	23,597,653.85	11,479,866.32
10,334,323.66	0.00	10,234,323.66	2,150,464.62	187,119.85	0.00	12,197,668.43	24160,710.88	24,432,226.68
24,052,567.32	12,796.00	24,065,363.32	5,471,873.79	1,635,738.86	184,059.00	27,717,439.25	18,430,778.30	15,362,480.13
0.00	0.00	0.00	0.00	0.00	0.00	0.00	25,423,303.66	6,451,272.58
34,286,890.98	12,796.00	34,299,686.98	7,622,338.41	1,822,858.71	184,059.00	39,915,107.68	68,014,792.84	46,245,979.39
0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2,478,851.13
0.00	0.00	0.00	17,979.63	0.00	1,043.03	16,936.60	25,089,765.28	22,624,891.38
0.00	0.00	0.00	0.00	0.00	0.00	0.00	243,856.10	360,185.11
0.00	0.00	0.00	51,614,583.63	0.00	8,009,240.84	43,605,342.79	667,715,440.62	438,176,962.85
0.00	0.00	0.00	51,632,563.26	0.0	8,010,283.87	43,622,279.39	693,049,063.00	463,640,890.47
44,174,721.75	459,141.76	44,633,863.51	62,345,308.65	2,153,202.51	8,194,342.87	96,631,626.78	784,661,509.69	521,366,736.18

Schedule of liabilities as at Dezember 31, 2000

	euro	within 1 year euro	Due 1 to 5 years euro	more than 5 years euro
Liabilities owed to banks ¹⁾	12,859,239.0	1,662,119.8	2,214,089.5	8,983,029.7
Advance received	5,298,613.8	5,298,613.8	0.00	0.00
Trade accounts payable	173,693,068.2	172,858,719.6	152,949.9	681,398.7
Other liabilities	17,793,286.4	17,287,536.4	505,750.0	0.00
	209,644,207.4	197,106,989.6	2,872,789.4	9,664,428.4

¹⁾ With respect to the 5 million euro loan the land register no. 7866 for the plot of land in Wiesloch contains a land charge entry credited to the Marschollek, Lautenschläger und Partner AG to the amount of 4,999,412.01 euro.

Schedule of liabilities as at Dezember 31, 1999

	euro	within 1 year euro	Due 1 to 5 years euro	more than 5 years euro
Liabilities owed to banks ¹⁾	8,979,491.4	901,027.9	939,878.2	7,138,585.3
Advance received	4,714,595.8	4,714,595.8	0.00	0.00
Trade accounts payable	105,926,998.8	105,143,341.7	102,258.4	681,398.7
Other liabilities	26,701,672.0	26,238,656.3	463,015.7	0.00
	146,322,758.0	136,997,621.7	1,505,152.3	7,819,984.0

¹⁾ With respect to the 5 million euro loan the land register no. 7866 for the plot of land in Wiesloch contains a land charge entry credited to the Marschollek, Lautenschläger und Partner AG to the amount of 4,999,412.01 euro.



Balance sheet as at December 31st, 2000

ASSETS	31.12.2000 euro	31.12.1999 euro
A. FIXED ASSETS		
I. Intangible assets		
1. land, leasehold rights and buildings, including buildings on non-ownwed land	18,277,300.56	19,197,489.56
2. Other fixtures and fittings and office equipment	1,928,154.14	2,024,253.86
3. Advance payments and plant under construction	24,973,232.60	6,420,158.12
	45,178,687.30	27,641,901.54
II. Financial assets		
1. Shares in related companies	19,737,476.89	19,522,986.03
2. Loans due from related companies	3,656,459.40	3,067,751.28
3. Investments held as fixed assets	13,500,000.00	13,500,000.00
4. Other loans	243,856.10	360,185.11
	37,137,792.39	36,450,922.42
	82,316,479.69	64,092,823.96
B. CURRENT ASSETS		
I. Accounts receivable and other assets		
1. Receivables from related companies	112,582,667.11	54,692,127.90
2. Other assets – of which over due by more than one year: euro 2,045,167,52; previous year: euro 2,110,865,70	2,788,787.99	3,164,503.26
	115,371,455.10	57,856,631.16
II. Securities		
Other securities	10,110,285.64	25,502,727.73
III. Cash in hand, cash in other banking accounts	21,018,947.59	50,803,732.23
	146,500,688.33	134,163,091.12
C. PREPAID EXPENSES AND DEFERRED CHARGES	187,500.00	197,500.00
	229,004,668.02	198,453,415.08

EQUITY AND LIABILITIES	31.12.2000 euro	31.12.1998 euro
A. SHAREHOLDERS' EQUITY		
I. Shareholders equity		
Ordinary shares	39,600,000.00	9,900,000.00
Non-voting preference shares	39,600,000.00	9,900,000.00
	79,200,000.00	19,800,000.00
II. Capital reserves	7,582,537.64	65,648,633.06
III. Revenue reserves		
1. Legal reserves	337,462.36	337,462.36
2. Other revenue	50,012,173.04	36,046,077.62
	50,349,635.40	36,383,539.98
IV. Net earnings	51,600,690.42	38,931,370.08
	188,732,863.46	160,763,543.12
B. PROVISIONS AND ACCRUED LIABILITIES		
1. Provisions for pensions	3,741,221.00	3,669,735.11
2. Accrued taxes	25,919,699.35	22,506,730.13
3. Other provisions and accrued liabilities	903,200.00	550,500.00
	30,564,120.35	26,726,965.24
C. LIABILITIES		
1. Trade accounts payable	2,132,198.25	1,229,924.79
2. Liabilities against related companies	4,455,205.17	5,381,032.57
3. Other liabilities	3,120,280.79	4,351,949.36
– of which social security: euro 3,663,69; previous year: euro 3,430,28		
– of which tax: euro 348,693,66; previous year: euro 435,428,57		
	9,707,684.21	10,962,906.72
	229,004,668.02	198,453,415.08

Profit and loss account January 1st to December 31st, 2000

	2000 euro	1999 euro
1. Other operating income	11,916,159.03	6,009,393.68
2. Personnel expenses		
a) Salaries and wages	- 3,219,708.05	- 3,939,431.81
b) social contributions and expenses for old age pensions and benefits – of which for pensions: euro 276,464,53; previous year: euro 205,832,54	- 300,011.55	- 222,809.81
3. Depreciation		
a) depreciation on intangible and tangible fixed assets	- 1,227,765.26	- 1,233,552.73
4. Other operating expenses	- 7,635,605.63	- 2,110,172.80
5. Income from investments	1,207,995.09	162,890.88
– of which from related companies: euro 1,207,995,09; previous year: 162,890,88 euro		
6. Income from Profit and Loss transfer agreements	87,104,822.20	68,396,756.00
7. Income from other investments and long-term loans	695,838.28	774,309.77
– of which from related companies: euro 138,695,43 previous year: euro 116,890,67		
8. Other interest and similar income	4,212,336.56	3,876,049.97
– of which from related companies: euro 2,390,203,97; previous year: euro 2,163,557,76		
9. Write downs on financial assets and securities held as current assets	0.00	- 25,564.60
10. Interest and similar expenses	- 613,234.40	- 560,383.48
– of which from related companies: euro 456,910,26; previous year: euro 54,500,00		
11. Profit from ordinary operations	92,140,826.27	71,127,485.07
12. Taxes on income and profit	- 40,559,731.17	- 32,077,707.03
13. Other taxes	- 49,774.76	- 162,997.92
14. Net income	51,531,320.34	38,886,780.12
15. Profit carried forward from previous year		
a) Net earnings from previous year	38,931,370.08	25,379,102.66
b) Divided distribution	- 23,562,000.00	- 17,716,263.67
16. Transfer to other revenue reserves	- 15,300,000.00	- 7,618,249.03
17. NET EARNINGS	51,600,690.42	38,931,370.08

Notes on the financial statements

Accounting policies and foreign currency translation methods

General

The financial statements have been prepared in accordance with § 242 et seq. and § 264 et seq. HGB together with the relevant regulations of the German Stock Corporation Law (AktG). The company is a large limited liability company as defined by § 267 (3) HGB.

The balance sheet has been prepared after considering appropriation of net earnings for the year.

On September 5, 1992 a control and profit and loss transfer agreement was entered into between Marschollek, Lautenschläger und Partner Aktiengesellschaft and MLP Finanzdienstleistungen Aktiengesellschaft in accordance with § 291 AktG. The agreement was approved by the annual general meetings of the shareholders of Marschollek, Lautenschläger und Partner Aktiengesellschaft and MLP Finanzdienstleistungen Aktiengesellschaft on June 17, 1993 and was entered in the commercial register of MLP Finanzdienstleistungen Aktiengesellschaft on December 15, 1993.

The statement of income have been prepared using the type of cost classification method as set out in § 275 (2) HGB.

Corporation tax has been calculated based on the recommendation on appropriation of profits.

The financial statements and management report have been prepared in euro since 1999. The translation from amounts in DEUTSCHE MARK to euro has been made using the official conversion rate of DM/euro 1.95583 fixed on January 1, 1999.

Receivables and payables in foreign currency are stated at the lower or higher of the booking date rate and year-end rate, respectively.

Accounting policies relating to specific financial statement captions

Items of intangible assets and property, plant and equipment are stated at acquisition cost less systematic depreciation.

Acquisition cost includes that part of invoiced value added tax relating to additions for which input value added tax cannot be deducted.

Depreciation is charged over the following periods at tax-allowed rates based on estimated useful lives using the straight-line method:

Concessions, trademarks and similar rights and assets and licences in such rights and assets	5 years
Administration buildings	25 years
Land improvements	15-25 years
Fixtures and fittings	10 years
EDP-Hardware / EDP cabling	5-10 years
Office furniture and equipment	5-10 years
Automobiles	5 years

For moveable items of property, plant and equipment a full year's depreciation is charged for additions made in the first half of the year and a half year's depreciation is charged for additions made in the second half of the year.

Acquisitions of moveable assets with an individual value of up to euro 409,03 are fully depreciated and reflected as disposals in the year of their acquisition.

Shares in affiliated companies, loans to affiliated companies and securities classified as non-current assets are stated at acquisition cost.

Other loans are shown at nominal value less any required allowances.

Receivables and other assets are stated at nominal value.

Other securities included in current assets are valued at acquisition cost.

Liquid funds are stated at nominal value.

In 1999 the option granted in § 250 (3) HGB was used and a discount on the loan agreement with MLP Bank AG was recognised in prepaid expenses. The balance of the discount at December 31, 2000 was euro 187,500.00.

Pension provisions have been set up for obligations arising from the company pension scheme calculated actuarially using the entry-age normal method as set out in § 6a of the German Income Tax Law (EStG), a discount rate of 6% and mortality tables issued by Dr. Klaus Heubeck. As from 1999 the new 1998 mortality tables were used. The adjustment of the provision is being made over three years in accordance with § 6a (4) sentence 2 EStG.

Provisions and accruals are set up for uncertain liabilities to the extent required based on prudent business judgement.

Liabilities are stated at their repayment amount.

Notes on the balance sheet and income statement

Notes on the balance sheet

A statement of movements on non-current assets and depreciation during 2000 is set out on pages 94 and 95 of these notes.

Subscribed capital is made up of 39,200,000 ordinary shares and 39,200,000 preference shares.

In accordance with a resolution passed by the annual general meeting on May 15, 2000 the ordinary share capital was increased from euro 19,800,000.00 to euro 79,200,000.00 out of reserves in accordance with the requirements of the German Stock Corporation Law. The increase was made by converting part of capital reserves (euro 58,066,095.42) and part of revenue reserves (euro 1,333,904.58). The capital increase was entered in the commercial register on June 27, 2000.

Authorised capital at December 31, 2000 amounts to euro 7,920,000.00. It was resolved by the shareholders' annual general meeting on May 15, 2000 and is limited to December 31, 2004.

Movements in capital reserves during 2000 were as follows:

	2000 euro	1999 euro
Balance January, 1st	65,648,633.06	65,648,633.06
Withdrawal	- 58,066,095.42	0.00
Balance at December, 31st	<u>7,582,537.64</u>	<u>65,648,633.06</u>

Movements in revenue reserves during 2000 were as follows:

Legal reserves:

	2000 euro	1999 euro
Balance December 31	337,462.36	337,462.36

The legal reserves and capital reserves as set out in § 272 (2) no. 1 HGB amount to 10% of the subscribed capital. It is thus not necessary to make any further transfers to legal reserves (§ 150 (2) AktG).

Other revenue reserves:

	2000 euro	1999 euro
Balance at January, 1st	36,046,077.62	28,427,828.59
Transfer	15,300,000.00	7,618,249.03
Withdrawal	- 1,333,904.58	0.00
Balance at December, 31st	<u>50,012,173.04</u>	<u>36,046,077.62</u>

The transfer to other revenue reserves was made by resolution of the annual general meeting (appropriation of profits as set out in § 174 AktG).

Movements in unappropriated retained earnings, reflecting the resolution on appropriation of profits made by the annual general meeting and net earnings for 2000, were as follows:

	2000 euro	1999 euro
Balance at January, 1st	38,931,370.08	25,379,102.66
Dividend distribution	- 23,562,000.00	- 17,716,263.67
Transfer to revenue reserves	- 15,300,000.00	- 7,618,249.03
Earnings for the year	51,531,320.34	38,886,780.12
Balance at December, 31st	<u>51,600,690.42</u>	<u>38,931,370.08</u>

Other provisions and accruals include mainly accruals for trade chamber contributions (euro 380,000), audit fees (euro 200,000), outstanding invoices (euro 159,700) and year-end closing costs (euro 100,000).

The contents, collateral provided and remaining terms of outstanding liabilities are set out in the statements of movements on liabilities on page 93 of these notes.

Liabilities to affiliated companies includes a loan of euro 5,000,000.00 from MLP Bank. It is thus part of liabilities to banks.

Notes on the income statement

Other operating income consists primarily of rental income from rental of the administration building, Forum 7, in Heidelberg and income from the sale of shares in MLP Lebensversicherung AG to employees of MLP Group.

Due to the corporation tax and municipal trade tax pooling agreement with MLP Finanzdienstleistungen Aktiengesellschaft, the corporation tax and municipal trade tax charge for both companies is included in the tax expense of the company. No share of these expenses has been recharged to MLP Finanzdienstleistungen Aktiengesellschaft due to the existing profit and loss transfer agreement.

There is a municipal trade tax pooling agreement with the other subsidiaries of Marschollek, Lautenschläger und Partner Aktiengesellschaft. A share of the municipal trade tax expense is charged to the subsidiaries by means of a pooling charge.

Statement of cash flows

The following statement of cash flows sets out the financial position of the company, showing changes in net cash and cash equivalents. As the statement of cash flows was not prepared for 1999 in accordance with the standard issued by the German Accounting Standards Committee (DRS 2), no comparative figures have been shown.

Statement of cash flow

	2000 teuro
CHANGE IN NETCASH FROM OPERATING ACTIVITIES	
Net earnings for the year	51,531.3
Add (less) expenses (income), not affecting cash	
– Depreciation of property, plant and equipment	0.0
– Write-ups of property, plant and equipment	1,227.8
– Additions to pension provisions, net	- 184.1
– Gains on disposals of items in non-current assets	71.5
– Gains on disposals of items in non-current assets	- 10,031.9
– Loss on disposals of items in non-current assets	74.7
	- 8,842.0
Add (less) decrease (increase) in current assets excluding liquid funds	
– Receivables from affiliated companies	- 58,435.3
– Other assets	375.7
– Prepaid expenses	10.0
	- 58,049.6
Add (less) increase (decrease) in current liabilities	
– Tax liabilities	3,413.0
– Other provisions and accruals	352.7
– Trade accounts payable	902.3
– Liabilities to affiliated companies	- 381.0
– Other liabilities	- 1,231.7
	3,055.3
Net cash used in operating activities	- 12,305.0
CASH FLOWS FROM INVESTING ACTIVITIES	
– Additions to property, plant and equipment	- 18,755.6
– Additions to financial assets	- 1,326.8
– Proceeds from disposals of financial assets	10,772.2
Net cash used in investing activities	- 9,310.2
CASH FLOWS FROM FINANCING ACTIVITIES	
– Dividend distribution	- 23,562.0
Net cash used in financing activities	- 23,562.0
Decrease in cash and cash equivalents	- 45,177.2
Liquid funds at December 31, 2000	21,018.9
Short-term securities at December 31, 2000	10,110.3
Liquid funds at January 1, 2000	50,803.7
Short-term securities at January 1, 2000	25,502.7
	- 45,177.2

Cash and cash equivalents include cash and bank balances and securities included in current assets.

Other notes

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

At December 31, 2000 there were outstanding commitments relating to the construction project at Wiesloch (1st. construction phase) of euro 10,496,959.12.

In order to hedge long-term interest rates in connection with the planned financing of the new construction project at Wiesloch, which are deemed to be at reasonable rates, two interest swaps were entered into in August 1999. These are coupon swaps in which MLP AG is the fixed payer (payer swap).

Key data for the swaps is as follows:

	1st contract	2nd contract
Settlement date	August 12, 1999	August 12, 1999
Commencement date	January 15, 1999	Juli 16, 2001
Expiry date	Januar 17, 2011	Januar 17, 2011
Nominal amount EURO	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
Invoice / clearing	half-yearly	half-yearly

To the extent the contracts are not hedged by appropriate underlying transactions Marschollek, Lautenschläger und Partner AG is required to make fixed-interest rate payments of the appropriate amounts to the bank. In return, Marschollek, Lautenschläger und Partner AG receives interest at Euribor interest rates. Euribor for the 1st. contract and first interest period (15.01.2001-16.07.2001) is 4.704% p.a.. This results in a higher obligation for the 1st. contract and the first interest-rate period of euro 176,476.67.

When financing the construction phases over the next few years, a bond or securitised loan is to be issued at Euribor for the same as the amounts underlying the interest swap. Interest on the bond or securitised loan can then be paid with the interest which Marschollek, Lautenschläger und Partner AG receives from the bank from the interest swap, as both interest payment streams are based on Euribor. The two payment streams are thus matched, and payment of the fixed-interest rate remains. As it is estimated that fixed-interest loans will be subject to increasing interest rates, the long-term interest rate which was deemed to be reasonable in August 1999 could be hedged. At December 31, 2000 the market values of both contracts were a negative euro -1,874,812.00. The contracts are directly related to the planned financing of the construction project.

To the extent financing of the construction project is not made at the conditions planned financial obligations will arise as from the commencement date mentioned above to the extent the fixed-interest rate exceeds the appropriate Euribor interest rate.

Executive board, Supervisory board

Members of the executive board are the following persons:

Dr. Bernhard Termühlen, Gaiberg

Chairman of the executive board since May 19, 1999; entry in the commercial register July 5, 1999.

Eugen Bucher, Bammental

Executive board member for financing. Appointment May 19, 1999; entry in the commercial register July 5, 1999.

Gerhard Frieg, Heidelberg

Executive board member for life and health insurance. Appointment May 19, 1999; entry in the commercial register July 5, 1999.

Dirk Petersmann, Heidelberg

Executive board member for cash deposits to December 31, 2000; entry of retirement of Dirk Petersmann in the commercial register has not yet been made.

Members of the executive board are also members of the supervisory boards of the following entities:

Dr. Bernhard Termühlen,

Chairman of the supervisory board of MLP Bank AG,

Chairman of the supervisory board of MLP Versicherung AG (since May 2, 2000),

Member of the supervisory board of MLP-Lebensversicherung AG, Vienna

Members of the supervisory board are:

Manfred Lautenschläger, Gaiberg,

Chairman since May 19, 1999

Gerd Schmitz-Morkramer, Munich,

Deputy chairman since May 19, 1999, personally-liable shareholder and spokesperson of the management of Merck Finck & Co., private bankers, Munich,

Norbert Kohler, Oftersheim,

Departmental head at MLP Finanzdienstleistungen AG, Heidelberg and MLP Lebensversicherung AG, Heidelberg.

Members of the supervisory board are also members of 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
 MLP Versicherung AG, Heidelberg, chairman of the supervisory board to May 2, 2000
 Mannheimer Lebensversicherung AG, 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
 YOCI 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 council of
 Taurus Investment Group, Florida, member of the advisory council
 Erste BdW Beteiligungsverwaltungsgesellschaft für die deutsche Wirtschaft mbH & Co. KG, Frankfurt am Main, member of the administrative council
 Beteiligungsgesellschaft für die deutsche Wirtschaft mbH, Frankfurt am Main, deputy chairman of the administrative council

Total remuneration of members of the executive board in 2000 was euro 2,626,388.00.

The total remuneration of members of the supervisory board for 2000 was euro 39,150.00.

Number of employees

The average number of persons employed during 2000 was 6.

Related parties

Investments at December 31, 2000 were as follows:

Direct shareholdings:

NAME, LOCATION	BOOK VALUE OF INVESTMENT 01.01.2000 euro	ADDITION euro	DISPOSAL euro
MLP FINANZDIENSTLEISTUNGEN AKTIENGESELLSCHAFT Heidelberg	10,225,837.62	--	--
MLP LEBENSVERSICHERUNG AKTIENGESELLSCHAFT Heidelberg	1,343,353.59	--	12,309.14
MLP VERMÖGENSVERWALTUNG AKTIENGESELLSCHAFT Heidelberg	1,278,485.35	--	--
MLP VERSICHERUNG AKTIENGESELLSCHAFT Heidelberg	3,148,418.09	226,800.00	--
MLP CONSULT GmbH Heidelberg	3,333,623.05	--	--
MLP LOGIN GmbH GmbH Heidelberg	193,268.33	--	--

Indirect shareholdings

	NAME/LOCATION	SHARE %
MLP BANK AKTIENGESELLSCHAFT (100% SUBSIDIARY OF MLP VERMÖGENSVERWALTUNG AG)	HEIDELBERG	100.00
DIGNOS EDV GmbH (40 % SUBSIDIARY OF MLP CONSULT GmbH)	HEIDELBERG	40.00
MLP LEBENSVERSICHERUNG AKTIENGESELLSCHAFT (50% SUBSIDIARY OF MLP LEBENSVERSICHERUNG AG , HEIDELBERG)	WIEN, ÖSTERREICH	50.00
MLP MEDIA GmbH (100% SUBSIDIARY OF MLP FINANZDIENSTLEISTUNGEN AG)	HEIDELBERG	100.00

- 1) There is a profit and loss transfer agreement
- 2) Ordinary shares 50% + 60 shares; non-voting preference shares 29,1309%
- 3) The financial statements of the company for the year ended December 31, 2000 had not been finally prepared at the time the financial statements of Marschollek, Lautenschläger und Partner AG were prepared, Amounts included are from December 31, 1999. The probable loss for 2000 of DIGNOS EDV GmbH will be euro 3 million.
- 4) There is a profit and loss transfer agreement with MLP Finanzdienstleistungen AG.

BOOK VALUE OF INVESTMENT 31,12,2000 euro	SHARE %	SHARE OF EQUITY AT 31,12.2000 euro	PROFIT/ LOSS FOR THE YEAR euro
10,225,837.62	100.00	10,225,837.62	-- 1)
1,331,044.46	41.65 2)	9,939,310.72	4,157,995.35
1,278,485.35	50.01	8,094,147.30	3,843,946.19
3,375,218.09	50.40	5,436,167.02	151,754.08
3,333,623.05	100.00	3,310,836.39	133,604.42
193,268.33	50.40	- 563,461.50	- 967,848.77

EQUITY AT 31.12.2000 euro	PROFIT/LOSS FOR THE YEAR euro
9,916,246.85	207,453.88
148,129.07 3)	- 633,286.61 3)
5,465,224.58	1,224,481.26
25.564.59	-- 4)

Appropriation of profits

The executive board recommends, as set out in § 170 (2) German Stock Corporation Law, that the retained earnings of euro 51,600,690.42 at December 31, 2000 be appropriated as follows:

	31.12.2000 euro
Distribution to the shareholders	30,888,000.00
Transfer to other revenue reserves	20,700,000.00
Balance carried forward	12,690.42
Unappropriated retained earnings	51,600,690.42

Heidelberg, March 21, 2001

Marschollek, Lautenschläger und Partner Aktiengesellschaft
The Executive board



Dr. Bernhard Termühlen



Eugen Bucher



Gerhard Frieg

Schedule of liabilities as at December 31, 2000

	euro	within 1 year euro	Due 1 to 5 years euro	more than 5 years euro
Trade accounts payable ¹⁾	2,132,198.3	2,132,198.3	0.00	0.00
Liabilities against related companies ²⁾	4,455,205.2	0.00	882,355.8	4,117,644.2
Other liabilities	3,120,280.8	3,120,280.8	0.00	0.00
	9,707,684.3	5,252,479.0	882,355.8	4,117,644.2

1) Normal right of ownership applies.

2) An encumbrance of real property in MLP Bank AG's favour amounting to 4,999,412.01 euro was registered in the land registry number 7866 for the property in Wiesloch as part of the loan issued by the MLP Bank AG amounting to 5,000,000.00 euro.

The accounts receivable from, and liabilities due to affiliated companies are summarised for each company and reported in a total as accounts receivable or as a liability. In the 2000 business year the liabilities at the MLP Bank AG were made up as follows:

Loans	euro 5,000,000.00
Allocation account	euro <u>-544,794.83</u>
	euro 4,455,205.17

The division of the remaining terms to maturity for the liabilities due to affiliated companies is based exclusively upon the loan.

Schedule of liabilities as at December 31, 1999

	euro	within 1 year euro	1 to 5 years euro	more than 5 years euro
Trade accounts payable ¹⁾	1,229,924.8	1,229,924.8	0.00	0.00
Liabilities against related companies ²⁾	5,381,032.6	381,032.6	588,237.2	4,411,762.8
Other liabilities	4,351,949.4	4,351,949.4	0.00	0.00
	10,962,906.8	5,962,906.8	588,237.2	4,411,762.8

1) Normal right of ownership applies.

2) With respect to the 5 million euro loan from the MLP Bank AG, the land register Nr. 7866 for the plot of land in Wiesloch contains a land charge entry credited to the MLP Bank AG to the amount of 4,999,412.01.

The Schedule 2000 of fixed assets and depreciation for the business year 2000

DESCRIPTION	AQUISITION COSTS				01.01.2000 euro
	01.01.2000 euro	ADDITIONS euro	DISPOSALS euro	31.12.2000 euro	
I. INTANGIBLE ASSETS					
1. Concessions, trademarks and similar rights, asstes and licenses in such rights and assets	25,473,008.10	20,529.21	20,311.53	25,473,225.78	6,275,518.54
2. Other fixtures and fittings and office equipement	3,593,683.35	182,052.11	238,126.84	3,537,608.62	1,569,429.49
3. Advanced payment and plant under construction	6,420,158.12	18,553,074.48	0.00	24,973,232.60	0.00
	35,486,84957	18,755,655.80	258,438.37	53,984,067.00	7,844,948.03
II. FINANCIAL ASSETS					
1, Shares in related companies	19,522,986.03	226,800.00	12,309.14	19,737,476.89	0.00
2. Loans due from related companies	3,067,751.28	1,100,000.00	511,291.88	3,656,459.40	0.00
3. Investments held as fixed asstes	13,500,000.00	0.00	0.00	13,500,000.00	0.00
4, Other loans	360,185.11	0.00	116,329.01	243,856.10	0.00
	36,450,922.42	1,326,800.00	639,930.03	37,137,792.39	0.00
TOTAL	71,937,771.99	20,082,455.80	896,368.40	91,121,859.39	7,844,948.03

DEPRECIATION/APPRECIATION			BOOK VALUES		
ADDITIONS euro	DISPOSALS euro	WRITE-UP euro	31.12.2000 euro	31.12.2000 euro	31.12.1999 euro
926,639.15	6,232.47	0.00	7,195,925.22	18,277,300.56	19,197,489.56
301,126.11	77,042.12	184,059.00	1,609,454.48	1,928,154.14	2,024,253.86
0.00	0.00	0.00	0.00	24,973,232.60	6,420,158.12
1,227,765.26	83,274.59	184,059.00	8,805,379.70	45,178,687.30	27,641,901.54
0.00	0.00	0.00	0.00	19,737,476.89	19,522,986.03
0.00	0.00	0.00	0.00	3,656,459.40	3,067,751.28
0.00	0.00	0.00	0.00	13,500,000.00	13,500,000.00
0.00	0.00	0.00	0.00	243,856.10	360,185.11
0.00	0.00	0.00	0.00	37,137,792.39	36,450,922.42
1,227,765.26	83,274.59	184,059.00	8,805,379.70	82,316,479.69	64,092,823.96

Auditor's report

„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, 2000. 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 § 317 HGB („German Commercial Code“) and the German generally accepted standards 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.“

Düsseldorf, March 21, 2001

Rölfs WP Partner AG
Wirtschaftsprüfungsgesellschaft




Georg van Hall

- German certified auditor -



Thomas Budde

- German certified auditor -



Marschollek, Lautenschläger und Partner AG
Forum 7
69126 Heidelberg

Telephone: +49 (0) 62 21 / 3 08 - 0
Fax: +49 (0) 62 21 / 3 08 - 87 01
www.mlp.de