

# 9M and Q3 2007 Results

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# Overview

- Highlights 9M and Q3 2007
- Financial details 9M and Q3 2007
- Clients
- Consultants
- Summary and outlook

# Highlights 9M and Q3 2007 (1)

- Industry still uncertain about the effects of new regulatory requirements
- Difficult market environment for private health insurance business due to reform of the German healthcare system
- Continuation of share buyback program
- Change in management
- Exercise of the acquisition option for remaining equity stake in Feri Finance AG

## Highlights 9M and Q3 2007 (2)

- Opening of 6 branches
- Enhancement of the customer service commissions for consultants
- Total income 9M increased by 9%
- EBIT 9M up by 20%
- AuM increased by around € 400m (9M)

# Extensive changes to legal requirements

## Prevailing conditions

Insurance Mediation Dir.	MiFID	Insurance Contract Law
Insurance brokerage	Banks / Investment	Insurer
May 22, 2007	November 1, 2007	Early 2008
<ul style="list-style-type: none"> <li>• Raised standards for consultant qualifications and consulting quality</li> <li>• Extensive documentation guidelines</li> </ul> <p>→ Market consolidation</p>	<ul style="list-style-type: none"> <li>• Broadening of consultation, information and documentation regulations</li> <li>• Higher transparency standards</li> </ul>	<ul style="list-style-type: none"> <li>• Broadening of information obligations</li> <li>• Greater cost transparency in life and health insurance</li> <li>• Increase in cash surrender value / Distribution of acquisition costs</li> </ul>

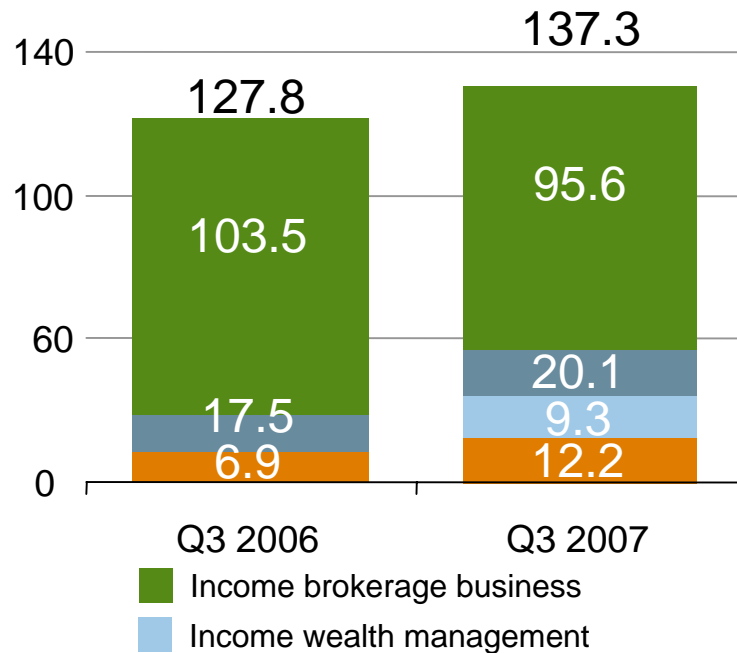
## ■ Crucial factors for future success:

→ High quality consulting and low cancellation rate

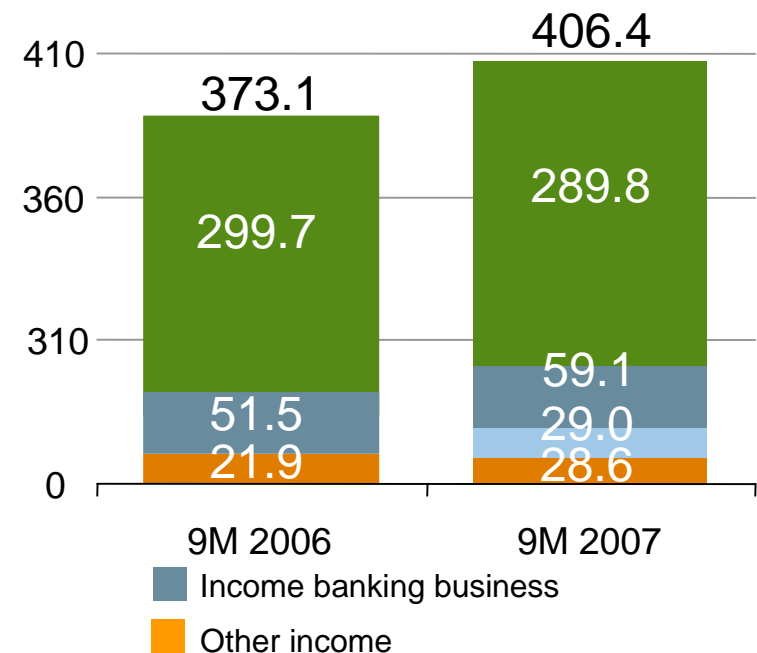
# Total income increased

## Total income

[in € million]



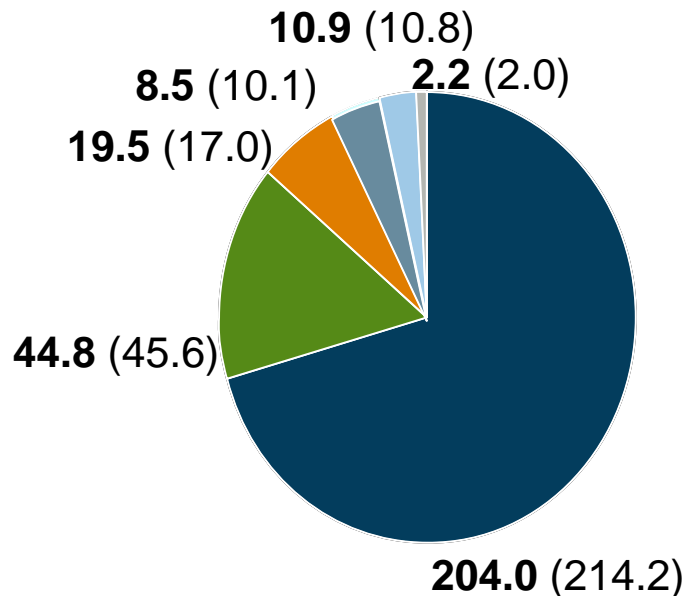
[in € million]



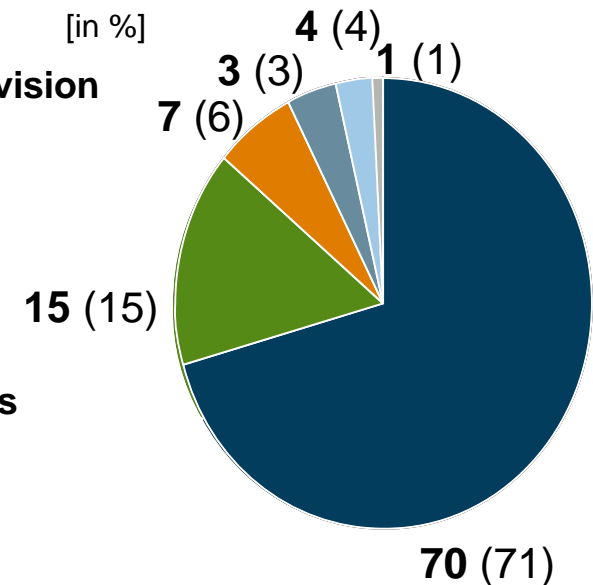
# 9M: Income from old-age pension provision business only slightly below previous year's already high level

Income from brokerage business, 9M 2007 (9M 2006): € 289.8m (€ 299.7m)

[in € million]



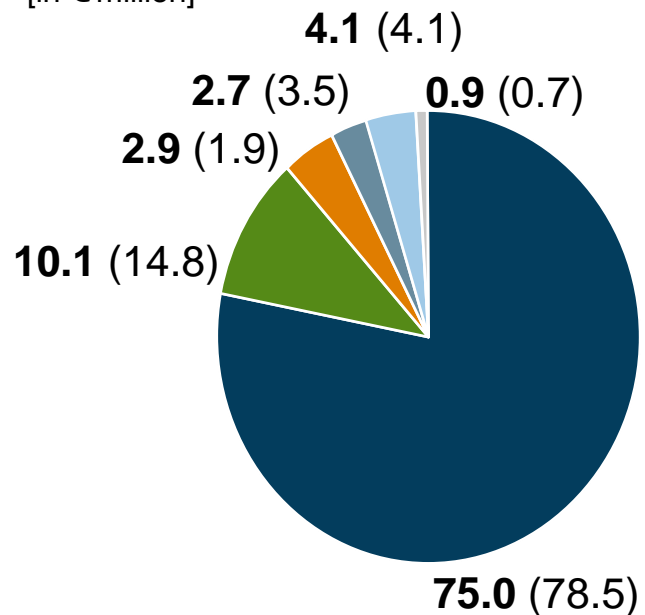
[in %]



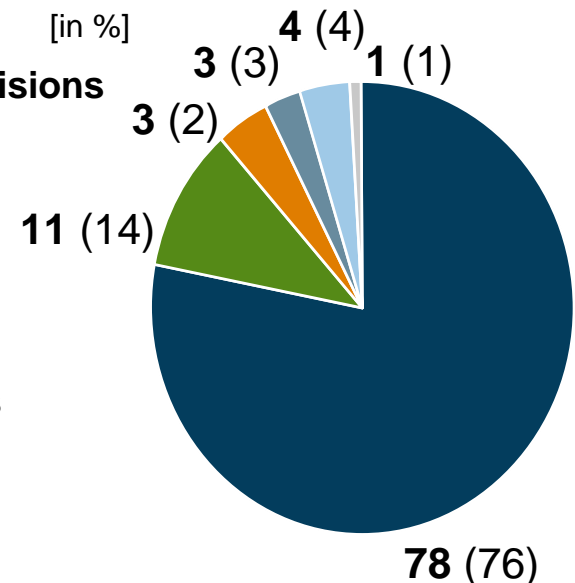
# Q3: Income from health insurance business significantly down due to German health care reform

Income from brokerage business, Q3 2007 (Q3 2006): € 95.6m (€ 103.5m)

[in € million]



[in %]





# EBIT burdened by one-time effects

Continuing operations

## Income statement

[in € m]	Q3 2006	Q3 2007	9M 2006	9M 2007
Total income	127.8	137.3	373.1	406.4
EBIT	17.5	17.4	44.7	53.4
Finance cost	1.3	0.3	5.1	0.7
EBT	18.8	17.7	49.7	54.2
Taxes	-6.5	-1.2	-14.4	-14.5
Net profit	12.3	16.5	35.3	39.7
<b>EPS in € (diluted)</b>	<b>0.12</b>	<b>0.16</b>	<b>0.33</b>	<b>0.39</b>

- EBIT 9M + 20 %
- One-time restructuring charges of € 4.8m
- EBIT margin Q3 before restructuring charges 15.4 % (13.7 %)
- Revaluation of deferred taxes due to German corporate tax reform

# Segment development as planned

## Segment reporting

[in € m]	Q3 2006	Q3 2007	9M 2006	9M 2007
<b>Consulting and sales segment</b>				
Segment income	107.9	100.7	313.1	304.7
EBIT	16.8	10.5	45.5	40.6
EBIT margin in %	15.6	10.4	14.5	13.3
<b>New business</b>				
Old-age provision (in € bln.)	1.5	1.3	4.3	3.5
Health insurance	21.9	10.3	55.8	33.9
Loans and mortgages	314	300	963	918
Funds under management (in € bln.)	-	-	10.8*	11.2
<b>Banking segment</b>				
Segment income	17.6	20.1	51.6	59.1
EBIT	2.1	4.6	5.5	9.3
<b>Wealth management segment</b>				
Segment income	-	9.3	-	29.0
EBIT	-	5.7	-	8.7

- Consulting and sales
  - One-time restructuring charges € 1.6m
  - Adjusted Q3 EBIT margin 12.0 %
- AuM increased by € 400m

\* as at 31/12/06

# Strong balance sheet

## MLP Group assets

[in € m]	30/09/07	31/12/06
Intangible assets	179.6	186.8
Property, plant and equipment	85.5	89.1
Investment property	14.8	15.1
Investment (equity method)	1.6	-
Deferred tax assets	0.4	0.2
Receivables from Banking business	699.8	606.4
Financial investments	70.2	49.9
Tax refund claims	12.7	21.1
Receivables and other assets	94.6	177.1
Cash and cash equivalents	83.8	120.5
Assets held for sale	6.3	-
	<b>1,249.4</b>	<b>1,266.1</b>

- Liquid funds of € 103m
- Decrease in receivables and other assets due to usual seasonal business development

# Equity ratio stands at 25%

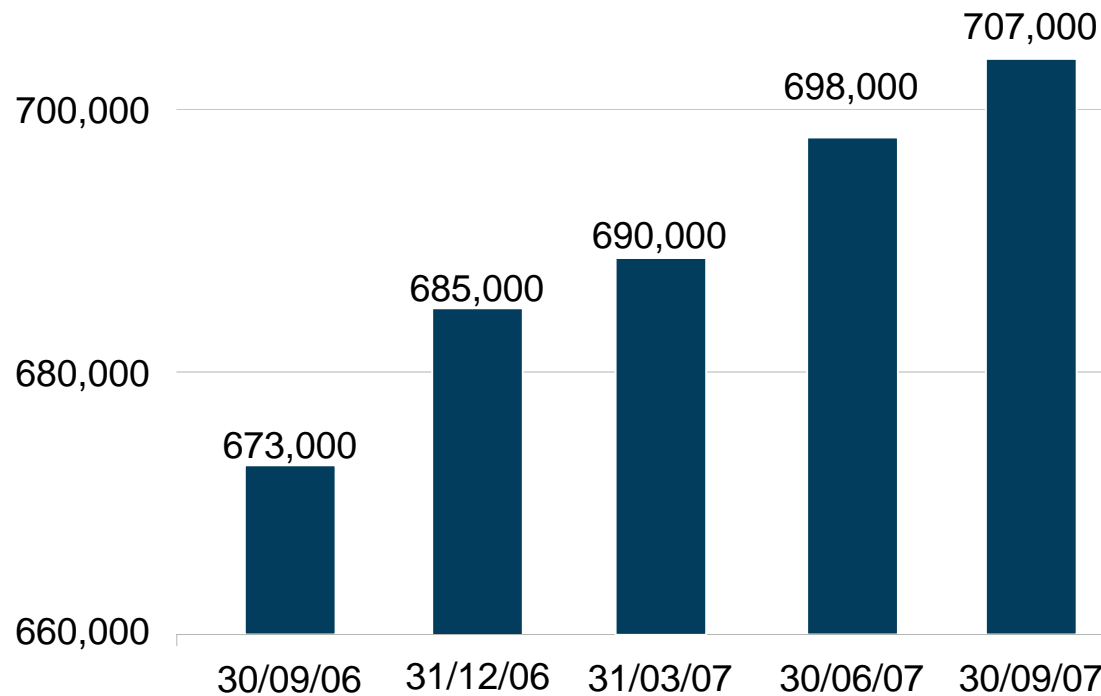
## MLP Group liabilities and shareholders' equity

[in € m]	30/09/07	31/12/06
Equity attributable to MLP AG shareholders	309.9	323.4
Minority interest	0.1	0.1
<b>Total shareholders' equity</b>	<b>310.0</b>	<b>323.4</b>
Provisions	31.2	33.9
Deferred tax liabilities	17.2	19.6
Liabilities due to Banking business	682.9	599.7
Tax liabilities	3.0	7.6
Other liabilities	202.4	281.9
Liabilities held for sale	2.9	-
	<b>1,249.4</b>	<b>1,266.1</b>

- Change in shareholders' equity due to dividend payment and net profit
- Decrease in other liabilities due to usual seasonal business development

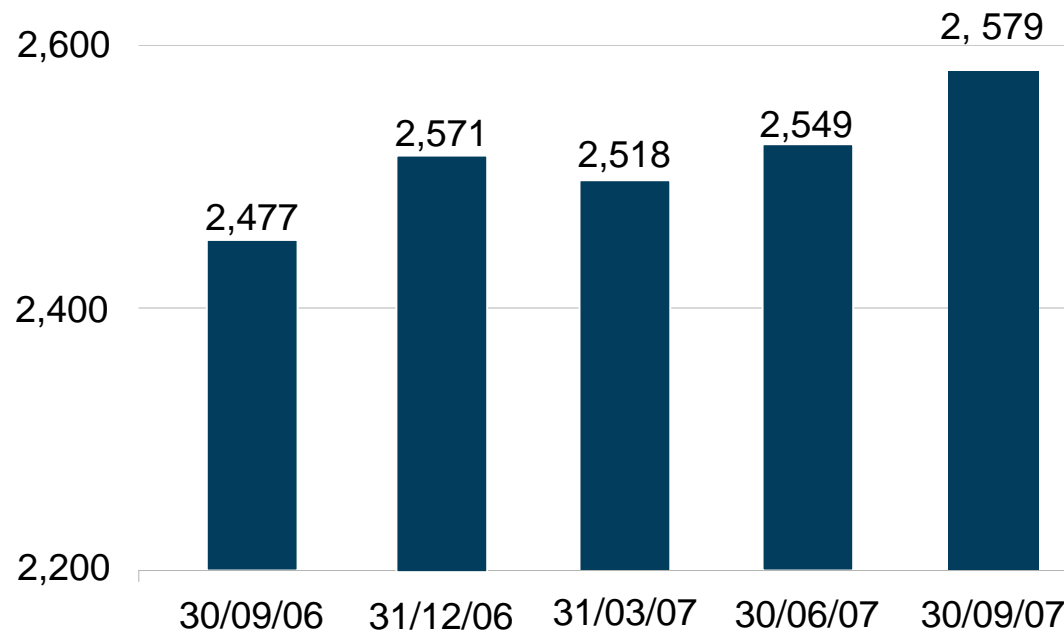
# Clients

## Continuing operations



# Consultants

## Continuing operations



# Summary and outlook

- Overall satisfactory business development in Q3
- EBIT 9M was burdened by € 4.8m one-time restructuring charges
- MLP is well prepared for the year-end business
- Increasing business momentum is expected in the forthcoming weeks
- EBIT guidance FY 2007 of around € 110m for continuing operations reiterated

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**MLP Investor Relations information on the internet:**

**Financial reports, presentations and calendar etc. at <http://www.mlp.de>**