

Interim Group Report  
for the first half-year and  
the second quarter 2011

# MLP Group

## MLP key figures

All figures in € million	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010	Change
<b>Continuing operations</b>					
Total revenue	109.3	111.6	240.1	232.8	3.1 %
Revenue	105.9	106.0	231.4	221.3	4.6 %
Other revenue	3.5	5.7	8.8	11.6	-24.1 %
Operating EBIT (before one-off exceptional costs)	0.4	4.3	12.2	8.3	47.0 %
Earnings before interest and tax (EBIT)	-6.8	4.3	1.7	8.3	-79.5 %
EBIT margin (%)	-6.2 %	3.9 %	0.7 %	3.6 %	-
Earnings from continuing operations	-4.9	3.5	-0.2	5.5	>-100 %
Earnings per share (diluted) in €	-0.04	0.03	0.00	0.05	>-100 %
<b>MLP Group</b>					
Net profit (total)	-4.4	3.6	0.3	5.3	-94.3 %
Earnings per share (diluted) in €	-0.04	0.03	0.00	0.05	>-100 %
Cash flow from operating activities	7.3	34.7	56.2	78.0	-27.9 %
Capital expenditure	1.3	1.3	1.9	2.3	-17.4 %
Shareholders' equity	-	-	395.9	428.4 <sup>1</sup>	-7.6 %
Equity ratio	-	-	28.2 %	28.5 % <sup>1</sup>	-
Balance sheet total	-	-	1,404.8	1,505.4 <sup>1</sup>	-6.7 %
Clients <sup>2</sup>	-	-	781,000	774,500 <sup>1</sup>	0.8 %
Consultants <sup>2</sup>	-	-	2,186	2,273 <sup>1</sup>	-3.8 %
Branch offices <sup>2</sup>	-	-	183	192 <sup>1</sup>	-4.7 %
Employees	-	-	1,608	1,682	-4.4 %
<b>Arranged new business<sup>2</sup></b>					
Old-age provisions (premium sum in € billion)	1.0	1.0	1.9	2.0	-5.0 %
Loans and mortgages	330	317	700	578	21.1 %
Assets under management in € billion	-	-	20.6 <sup>3</sup>	19.8 <sup>1,3</sup>	4.0 %

<sup>1</sup> As at December 31, 2010.

<sup>2</sup> Continuing operations.

<sup>3</sup> Calculated according to the method of the German Association of Investment and Asset Management (BVI).

[Table 01]

# Interim Group Report for the first half-year and the second quarter 2011

The first half-year and the second quarter 2011 at a glance:

- Total revenue in the first half-year rises by 3 % to € 240.1 million
- Operating EBIT (before exceptional costs) climbs by 47 % to € 12.2 million
- Assets under Management grow significantly to € 20.6 billion – rising by € 700 million in the second quarter alone
- Outlook: Operating EBIT margin to rise to 15 % in 2012

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## Company Profile

### MLP – THE LEADING INDEPENDENT CONSULTING COMPANY

MLP is Germany's leading independent consulting company. Supported by comprehensive research, the Group provides a holistic consulting approach that covers all economic and financial questions for private and corporate clients, as well as institutional investors. The key aspect of the consulting approach is the independence from insurance companies, banks and investment firms. The MLP Group manages total assets of approximately Euro 20.6 billion and supports more than 781,000 private and over 4,000 corporate clients. The financial services and wealth management consulting company was founded in 1971 and holds a full banking licence.

The concept of the founders, which still remains the basis of the current business model, is to provide long-term consulting for academics and other discerning clients in the fields of old-age provision, financial investment, health insurance, non-life insurance, loans and mortgages and banking. Those with assets above Euro 5 million are looked after by the subsidiary Feri Family Trust. Moreover, the Group provides consulting services to institutional investors via Feri Institutional Advisors GmbH. Supported by its subsidiary TPC and the joint venture HEUBECK-FERI Pension Asset Consulting GmbH, MLP also provides companies with independent consulting and conceptual services in all issues pertaining to occupational pension schemes and remuneration as well as asset and risk management.

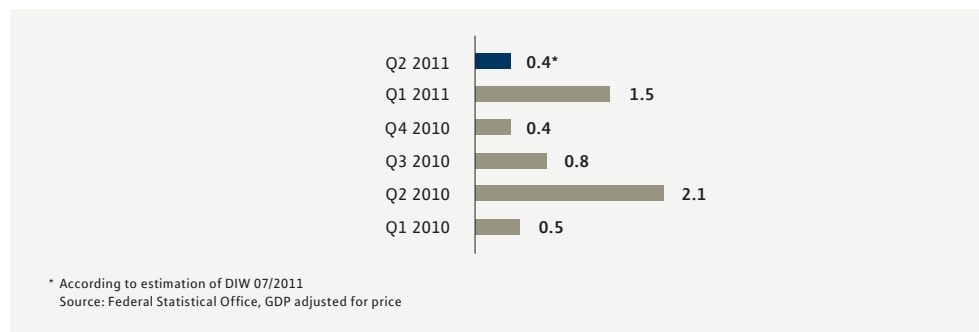
# Interim Management Report for the first half-year and the second quarter 2011

## MACROECONOMIC ENVIRONMENT

The German economy exhibited strong growth in the first half-year 2011, and concerns about the economic stability of Greece and Italy as well as the debt problems in the United States of America have so far not adversely affected this development. According to provisional estimates by the DIW (German Institute for Economic Research), the gross domestic product grew by 0.4 % in the second quarter compared to the previous quarter. In the first quarter of 2011 German GDP grew by 1.5 %. German exports once again contributed considerably towards this positive economic development – significantly benefiting from a generally robust world economy. The favourable economic climate also had a positive effect on the German labour market. At the end of the second quarter, the unemployment rate in Germany stood at 6.9 %, compared to 7.5 % one year ago.

As MLP generates almost 100 % of its total revenue in Germany, the country's favourable economic environment in the first half-year 2011 had only a limited effect on the business areas of MLP. Rising revenues from commissions and fees were recorded in health insurance and wealth management. In old-age provision, the uncertainty resulting from the financial crisis coupled with the current discussion about topics such as the continuation of the debt crisis continue to cause hesitancy on the part of clients with respect to the conclusion of long-term contracts. However, the rate of decline in revenues already significantly lessened in the second quarter.

### German Gross Domestic Product, change in % compared to the previous quarter



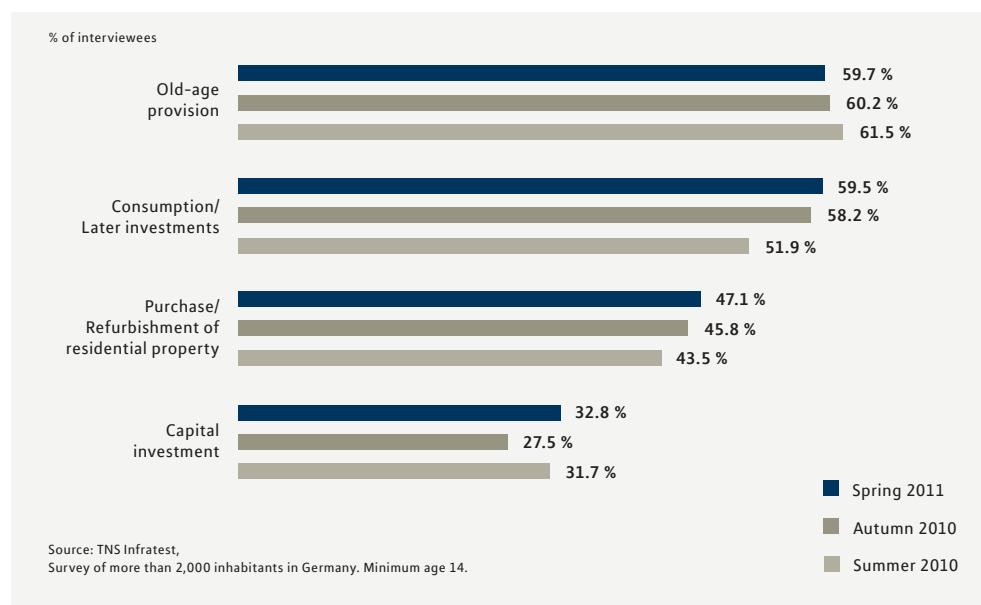
[Figure 01]

## SITUATION WITHIN THE INDUSTRY AND THE COMPETITIVE ENVIRONMENT

**Old-age provision**

In the first half-year of the current financial year, the old-age provision market in Germany remained difficult. Although the significant lowering of the level of state pension retirement benefits has heightened public awareness of the need for greater private and occupational pension provision, many consumers remain hesitant with respect to the conclusion of long-term contracts. This hesitancy stems from uncertainties following the financial crisis as well as from current developments such as the euro crisis. Surveys too (see chart) show a rising tendency among the general public towards short-term investments and consumption. According to figures released by the GDV (German Insurance Association), this situation led to a fall in the premium sum for new business in the first half-year of 3 % to € 71.24 billion.

MLP was unable to escape this trend. Overall, revenues in old-age provision for the period from January to June 2011 declined to € 106.9 million (€ 118.6 million).

**Survey shows declining willingness to save money for old-age provision**

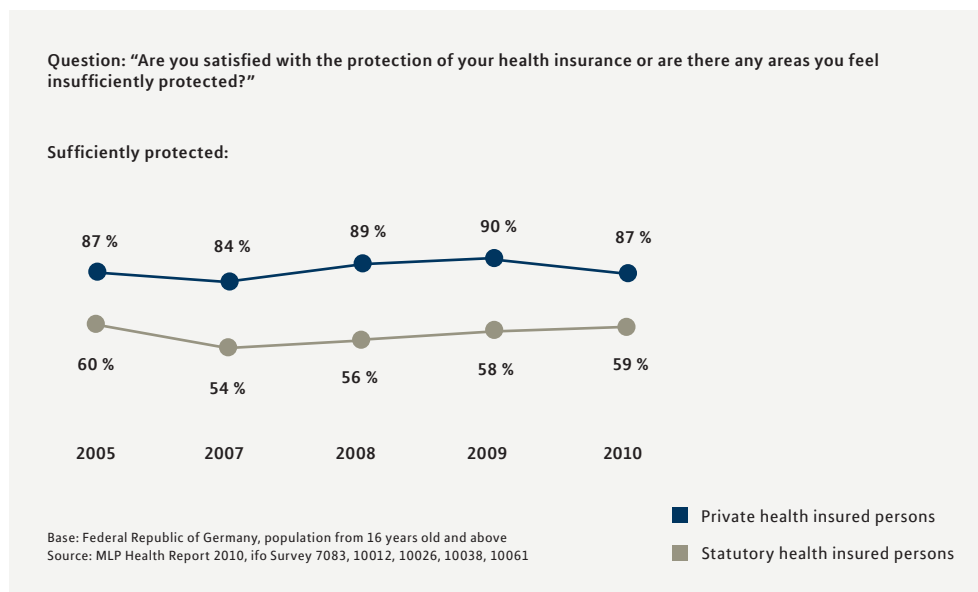
[Figure 02]

## Health provision

The private health insurance market in Germany developed very positively during the period under review. This was mainly due to the legal framework changes which came into effect on January 1, 2011. Above all, the fact that employees in statutory healthcare funds can now switch to private insurance after just once exceeding the annual earnings threshold of currently € 49,500 had a positive effect. Furthermore there is an increasingly sceptical perception of the statutory healthcare funds as a result of the recent healthcare reform which also included a rise in the general level of premium as well as the possibility of the imposition of additional premiums. In addition, privately insured clients lastingly view their provision in a much more positive light than members of the statutory healthcare funds (see chart).

Overall, this results in an increased willingness to take out full private health insurance or supplementary healthcare cover. Against this background, revenues in this consulting area rose to € 41.8 million (€ 26.6 million ).

## Private health insured persons are satisfied with their insurance protection



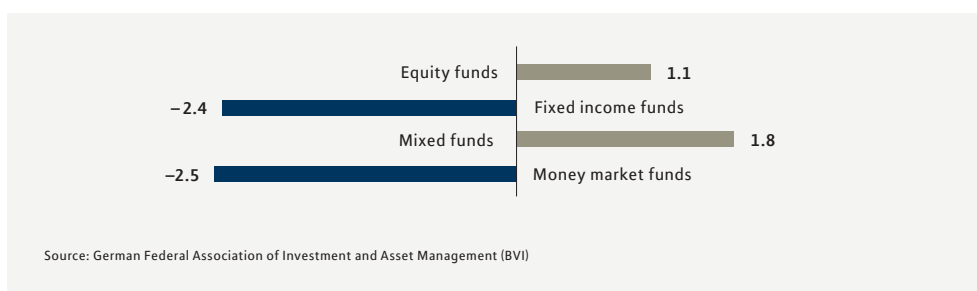
[Figure 03]

## Wealth management

The development of the German investment fund industry in the first half-year 2011 was mixed. Compared to previous year, retail funds recorded outflows amounting to € 3.6 billion, whereas institutional investors entrusted around € 17 billion of new monies to specialised funds. The non-investment fund assets registered outflows of € 2.0 billion. The outflows in retail funds were primarily attributable to the negative development in money market and fixed income funds. On the other hand, equity and mixed funds registered inflows. Overall, at the reference date on June 30, 2011, registered investment funds in Germany managed total assets of € 1,803.4 billion, representing a slight decline of 1 % (December 31, 2010: €1,829.6 billion).

However, the MLP Group made very positive progress in wealth management in the first half-year 2011. Thanks to inflows of monies from both private and institutional investors, managed client assets rose from € 19.8 billion at December 31, 2010 to € 20.6 billion at June 30, 2011 – a new record high in the history of MLP.

### Inflows and outflows in various types of mutual investment funds in Germany in H1 2011 (in € billion)



[Figure 04]

## Competition

The competitive situation in the German financial services market did not fundamentally change in the first half-year 2011. In the market there are numerous consultants and intermediaries – from banks and insurance companies through to independent financial brokers. They employ different business models, which amongst other aspects are differentiated by the breadth of the product portfolio and the consulting approach as well as the quality of the consulting offered. In the private client consulting area, MLP faces competition primarily from commercial and private banks.

Market regulation is of particular relevance to the future competitive situation. In this respect the German government made two important decisions in the first half-year 2011, designed to further improve the level of investor protection: The Investor Protection Act (“Anlegerschutz- und Funktionsverbesserungsgesetz”) which was passed in the early part of the year includes new training standards, a register for all consultants as well as so-called product information sheets. These regulations apply to securities service providers such as MLP. For the hitherto largely unregulated portion of the market, which is not covered by the banking supervisory authority, the federal cabinet initiated draft legislation in April for revision of the financial investment brokerage and asset investment law (“Novellierung des Finanzanlagenvermittler- und Vermögensanlagerechts”), which calls for new training requirements for the brokerage of open and closed funds by intermediaries and also seeks to largely impose information, consulting and documentation obligations on this market sector – similar to those which are already in effect for banks. This legislation will probably be passed during the course of the current financial year.

The legislation will further increase the requirements for all market participants, particularly for providers that are not covered by the banking supervisory authority, and will accelerate market consolidation.



# Company situation

## RESULTS OF OPERATIONS

### Total revenues rise by 3 %

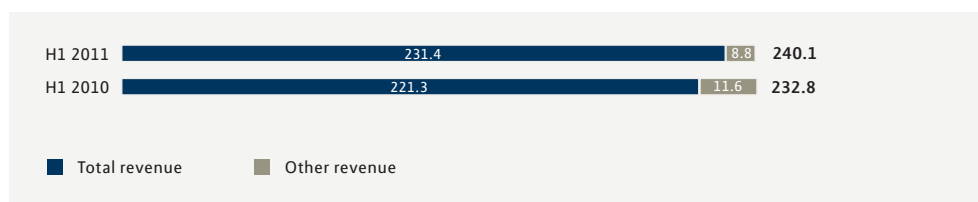
During the period from January to June 2011 and compared to last year total revenues increased by 3% to € 240.1 million (H1 2010: € 232.8 million). This growth was mainly driven by the successful development in revenues from commissions and fees, which rose by 4% to € 217.6 million (€ 208.8 million). Interest income also made pleasing progress, climbing to € 13.8 million (€ 12.4 million). However, other revenues fell by 24% to € 8.8 million (€ 11.6 million) due to lower recharges to MLP consultants.

The breakdown of the revenues from commissions and fees shows growth in almost all consulting areas. The health insurance business exhibited particularly dynamic progress – revenues rose by 57% to € 41.8 million (€ 26.6 million). The increased demand was primarily due to the abolition of the three-year rule for insurees intending to switch to private insurance and to the increasingly sceptical perception on the part of broad sections of the population with respect to the statutory health insurance system. Wealth management also developed well. The increase from € 37.1 million to € 40.2 million was due to positive business development both at MLP as well as at Feri. Clients continue to show a high level of interest in purchasing their own residential property. Against this background, revenues from mortgages and loans rose by 32% to € 6.2 million (€ 4.7 million). In addition, the earnings from our joint venture company MLP Hyp, through which MLP conducts a considerable portion of its property mortgages, rose by 25% to € 0.5 million (€ 0.4 million). Revenues in non-life insurance amounted to € 20.8 million and were thus also above the figure for the previous year (€ 20.2 million).

However, revenues in old-age provision decreased, falling by 10% from € 118.6 million to € 106.9 million. The continuingly difficult market environment is mainly due to the hesitancy of many clients with respect to the conclusion of long-term contracts.

Viewing the second quarter 2011 in isolation, total revenues fell slightly to € 109.3 million (€ 111.6 million). Revenues from commissions and fees remained stable and amounted to € 98.9 million (€ 99.7 million), whereas interest income rose by 10% to € 6.9 million (€ 6.3 million). Other revenues fell by 39% to € 3.5 million (€ 5.7 million).

### Total revenue from continuing operations (in € million)



[Figure 05]

### Development of expenses

In the first half-year 2011 commission expenses increased from € 77.5 million to € 91.8 million. The higher expenses were mainly due to the generally improved results of our branches as well as to an adjustment of the trailer commissions paid to our consultants for existing contracts with their clients. In the same period, interest expenses fell to € 4.2 million (€ 5.1 million).

Due to exceptional costs for severance payments, which were incurred as a result of our announced efficiency programme, personnel expenses in the first half-year 2011 increased to € 60.6 million (€ 53.2 million). On the other hand, the efficiency programme measures already began to have a positive effect on the other operating expenses, which fell from € 80.9 million to € 74.6 million.

After adjusting the fixed costs – consisting of personnel expenses, depreciation and amortisation as well as other operating expenses – to take account of the exceptional costs resulting from the investment and efficiency programme, these decreased from € 142.3 million to € 132.5 million.

### Operating EBIT climbs by 47%

Operating EBIT (Earnings before interest and taxes before one-off exceptional costs) in the first half-year increased by 47% to € 12.2 million (€ 8.3 million). As announced in April, the second quarter in particular was affected by one-off exceptional costs relating to the extensive investment and efficiency programme, primarily for severance payments. For the first half-year these exceptional charges amounted to € 10.5 million, resulting in EBIT of € 1.7 million (€ 8.3 million). Earnings from the continuing operations amounted to € -0.2 million (€ 5.5 million), Group net profit totalled € 0.3 million (€ 5.3 million). Earnings per share (basic and diluted) thus amounted to € 0.00 (€ 0.05).

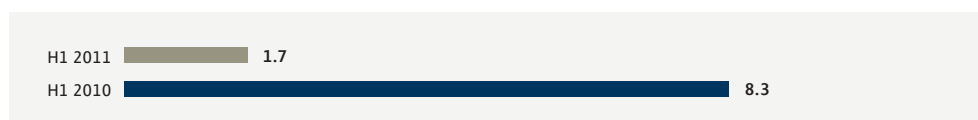
In the second quarter the operating EBIT fell from € 4.3 million to € 0.4 million. The one-off exceptional costs in this period amounted to € 7.3 million, resulting in EBIT (Earnings before interest and taxes) of € -6.8 million (€ 4.3 million). Earnings from the continuing operations fell to € -4.9 million (€ 3.5 million). In the discontinued operations earnings improved to € 0.5 million (€ 0.0 million) mainly due to the capitalisation of receivables from the sale of MLP Finanzdienstleistungen AG, Vienna. Group net profit thus amounted to € -4.4 million (€ 3.6 million).

### Earnings development of continuing operations

in € million	1st half-year 2011	1st half-year 2010	Change
Total revenue	240.1	232.8	3.1 %
EBIT	1.7	8.3	-79.5 %
EBIT margin	0.7 %	3.6 %	-
Finance costs	-0.6	-0.7	-14.3 %
EBT	1.1	7.6	-85.5 %
EBT margin	0.5 %	3.3 %	-
Income tax	-1.3	-2.1	-38.1 %
Net profit (continuing operations)	-0.2	5.5	>-100 %
Net margin	-0.1 %	2.4 %	-

[Table 02]

### EBIT from continuing operations (in € million)



[Figure 06]

### Comparison between the actual and the forecasted business development

At the start of the financial year 2011 we provided a quantitative forecast for the targeted EBIT margin of 15 % in 2012 as well as a qualitative forecast for revenue development in old-age provision, health insurance and wealth management (see page 111 of the Annual Report 2010). Accordingly, for the full-year 2011 we expect to achieve growth in health insurance and wealth management as well as stable revenues in old-age provision. This forecast proved to be correct at the first half-year. Revenues from commissions and fees in wealth management and in health insurance rose in total by 29 % to € 82.0 million (€ 63.7 million). After the first six months, revenues in old-age provision stood at € 106.9 million (€ 118.6 million) and were thus 10 % below the previous year. Following an improvement in the second quarter, we expect a further upswing in this consulting area in the second half of the year – particularly in the fourth quarter. We therefore stick to our guidance.

The development of expenses in the first half-year was as planned. The fixed costs (personnel expenses, depreciation and amortisation, other operating expenses), which MLP seeks to reduce by a total of € 30 million by the end of 2012, fell – after adjustment for one-off exceptional costs – by a total of € 9.8 million in the first half-year (see sections on “Development of expenses”, page 10).

### New business in old-age provision in Q2 at the previous year's level

Assets under Management, which forms an important foundation for future revenue in wealth management, reached a new record high of € 20.6 billion (March 31, 2011: € 19.9 billion) – thanks primarily to the acquisition of new institutional clients. In old-age provision the premium sum in the second quarter stood at € 1.0 billion and thus remained at the previous year's level (Q2 2010: € 1.0 billion). At the half-year, the figure amounted to € 1.9 billion and was therefore slightly below the previous year (H1 2010: € 2.0 billion). Occupational pension provision accounted for 10% of this amount (Full year 2010: 9%).

### 15,300 new clients

MLP welcomed 15,300 new clients (16,000) in the period from January to June. The total number of clients rose to 781,000 (March 31, 2011: 778,000). The number of consultants fell to 2,186 (March 31, 2011: 2,222).

## NET ASSETS

### Decrease of total assets

At the balance sheet reference date on June 30, 2011, the total assets of the MLP Group amounted to € 1,404.8 million, corresponding to a decrease of 6.7% compared to the end of 2010. The main influencing factors were the payment of the dividend for the financial year 2010 as well as of the purchase price for the remaining Feri shares. The main changes on the asset side of the balance sheet relate to three items: our receivables from financial institutions reduced by € 29.7 million to € 455.3 million which was mainly due to the profit transfer agreement with our subsidiary MLP Finanzdienstleistungen AG for the financial year 2010. Our financial investments reduced in the period under review by € 15.9 million to € 236.8 million which was due to the disposal of investment fund holdings and the liquidation of fixed term deposits. This exceeded the inflow of fixed interest securities. Other accounts receivable and other assets fell from € 122.0 million to € 88.3 million as a result of usual seasonal variations. This item mainly consists of receivables from insurance companies for whom we have brokered insurance contracts. Due to the usual strong year-end business these rise significantly at the end of the year and then fall again during the course of the following financial year.

### Assets as at June 30, 2011

in € million	June 30, 2011	Dec 31, 2010	Change
Intangible Assets	144.8	148.2	-2.3%
Property, plant and equipment	71.7	74.4	-3.6%
Investment property	11.0	11.2	-1.8%
Shares accounted for using the equity method	3.4	2.9	17.2%
Deferred tax assets	4.0	3.3	21.2%
Receivables from clients in the banking business	340.4	343.5	-0.9%
Receivables from banks in the banking business	455.3	485.0	-6.1%
Financial investments	236.8	252.7	-6.3%
Tax refund claims	12.7	11.8	7.6%
Other accounts receivable and other assets	88.3	122.0	-27.6%
Cash and cash equivalents	36.3	50.5	-28.1%
<b>Total</b>	<b>1,404.8</b>	<b>1,505.4</b>	<b>-6.7%</b>

[Table 03]

### High equity ratio

Due to the payment of the dividend for the financial year 2010 amounting to € 32.4 million, the equity capital decreased from € 428.4 million to € 395.9 million. The equity capital position of MLP remains very good with an equity ratio of 28.2 % (28.5 %).

The development of our deposit business is shown in the liabilities due to clients. The liabilities due to clients from the banking business in the first half-year increased from € 819.3 million to € 840.1 million. These mainly consist of deposits in the areas of open and instant access.

Other liabilities reduced by 46.8 % to € 94.6 million. This relates to commission claims by our consultants. Due to our usually strong year end business, the commission claims by our consultants rise sharply at the balance sheet reference date on December 31, but then fall again in the following quarters. Furthermore, the payment of the purchase price for the remaining shares in Feri Finance AG also contributed to the reduction on other liabilities.

### Liabilities and shareholders' equity as at June 30, 2011

in € million	June 30, 2011	Dec 31, 2010	Change
Shareholders' equity	395.9	428.4	-7.6 %
Provisions	47.1	52.0	-9.4 %
Deferred tax liabilities	10.7	10.6	0.9 %
Liabilities due to clients in the banking business	840.1	819.3	2.5 %
Liabilities due to banks in the banking business	14.8	16.4	-9.8 %
Tax liabilities	1.6	1.1	45.5 %
Other liabilities	94.6	177.7	-46.8 %
<b>Total</b>	<b>1,404.8</b>	<b>1,505.4</b>	<b>-6.7 %</b>

[Table 04]

## FINANCIAL POSITION

Cash flow from operating activities in the continuing operations decreased to € 56.6 million (€ 81.0 million). Here, main payments result from the deposit business with our clients and from the investment of these monies. This is primarily due to a lower increase of the account deposits compared to the previous year.

The change in cash flow from investment activities of the continuing operations from € -75.9 million to € -93.0 million is mainly due to the acquisition of the remaining Feri shares. Investments in fixed-term deposits with a term of more than three months amounting to a net amount of € 35.0 million (€ 40.0 million) as well as investments in securities of net € 5.0 million (€ 33.0 million) also affected the cash flow.

The change in the cash flow from financing activities in the continuing operations from € -29.1 million to € -32.4 million is almost entirely due to higher dividend payments.

Overall, at the end of the first half-year 2011 the Group's liquid assets stood at around € 160 million. The liquidity situation therefore remains very good. The Group has adequate liquidity reserves available. In addition to the liquid funds, MLP also has access to free credit lines.

### Condensed statement of cash flows in continuing operations

in € million	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010
Cash and cash equivalents at the beginning of the period	201.3	116.0	125.5	123.6
Cash flow from operating activities	7.6	33.0	56.6	81.0
Cash flow from investing activities	-120.0	-27.2	-93.0	-75.9
Cash flow from financing activities	-32.4	-27.0	-32.4	-29.1
Changes in cash and cash equivalents	-144.7	-21.1	-68.7	-24.0
Inflows/outflows due to divestments	-0.3	1.7	-0.4	-3.1
Cash and cash equivalents at the end of the period	56.3	96.6	56.3	96.6

[Table 05]

### Capital measures

No capital measures were undertaken during the period under review.

### Investments

In the first half-year MLP invested € 1.9 million which amounted to € 0.4 million less than the investments made during the same period of the previous year of € 2.3 million. Around 75 % of this figure was allocated to the financial services sector – mainly for software as well as for operating and office equipment (including hardware). A significant portion of the funds was allocated to projects designed to improve IT support for client consulting and service activities. All investments were financed from current cash flows.

### General statement on the business development

In the first half-year 2011 MLP grew total revenues by 3 % and increased operating EBIT by 47 %. In this respect MLP reaped the benefits of its holistic business model: falling revenues from commissions and fees in the old-age provision area were compensated by rising revenues in the areas of health insurance and wealth management. At the same time – and after adjustments for one-off exceptional items – we have further reduced our fixed costs. After conclusion of the first half-year, MLP still has a very good equity capital base and liquidity. Overall, we are satisfied with the business development and regard the economic position of the Group as positive – both at the end of the period under review as well as at the time of the preparation of the interim report.

## PERSONNEL

The number of employees reduced during the period under review. At the reference date on June 30, 2011 the Group had a total of 1,608 employees, of which 180 were temps or marginal part-time employees. The decrease compared to the previous year is mainly due to a reduction in the number of marginal part-time employees as well as assistants in the branches. The major portion of the personnel reductions at the headquarters in Wiesloch, which were announced in April, will only become evident in the key figures from the second half-year.

During the period under review MLP received the “TOP Employer Germany” award for the fifth consecutive time and further improved its score in terms of image, work-life balance and employee remuneration. Through this award, the Corporate Research Foundation Institute (CRF), which is one of the leading research companies in the area of employer certification and employer branding, once again confirmed MLP’s outstanding corporate and employee culture.

### Number of employees

	June 30, 2011	June 30, 2010
Financial Services	1,342	1,417
Feri	253	251
Holding	13	14
<b>Total</b>	<b>1,608</b>	<b>1,682</b>

[Table 06]

## COMMUNICATION AND MARKETING ACTIVITIES

In the second quarter MLP began to roll out an extensive communication campaign, focussing on old-age provision. Through a special supplement entitled “Welt Klasse” in the “Welt am Sonntag” newspaper on May 22 and an internet presence at [www.mlp-laengerleben.de](http://www.mlp-laengerleben.de) (German only) MLP shows clients and interested readers the effects that rising life expectancy can have on various aspects of their life – and how to optimally prepare and provide for this phase.

In May MLP was the lead sponsor for the eighth time of the Mannheim Rhine-Neckar marathon which has become an established event in the region and popular amongst runners throughout the country. Furthermore, the two support programmes for students “Join the best” and “Medical Excellence” have moved onto the next stage. At the start of July MLP completed its “Surfin’ Tour” at 33 university locations in Germany to mark its 40th anniversary. Many students visited the road show and were taken back to the atmosphere of the time when MLP was founded. A comprehensive review is available on the Internet at [www.mlp-surfintour.de](http://www.mlp-surfintour.de) (German only).

## LEGAL CORPORATE STRUCTURE AND EXECUTIVE BODIES

There were two changes to the Executive Board team during the period under review. On March 31, and by amicable arrangement, Ralf Schmid, Chief Operating Officer (COO) of the MLP Group as well as a member of the Executive Boards of MLP AG and the subsidiary MLP Finanzdienstleistungen AG, resigned from his position on both boards in order to pursue new professional challenges elsewhere. His duties were reassigned and split among the other members of the Executive Board. On February 1, 2011, Reinhard Loose took up his duties as Chief Financial Officer, having been appointed to this position by the Supervisory Board in November 2010.

In April, and within the framework of its strengthening of the wealth management business area, MLP AG acquired the remaining 43.4 % holding in Feri Finance as planned. The purchase price for the shares, which were solely in the hands of the Feri managing partners, provisionally amounts to € 50.6 million. MLP had previously acquired a 56.6 % stake in Feri in the autumn of 2006.



## SEGMENT REPORT

The MLP Group structures its business into the following operating segments:

- Financial Services
- Feri
- Holding

A detailed description of the individual segments is contained on pages 212 et seq. of the Annual Report 2010.

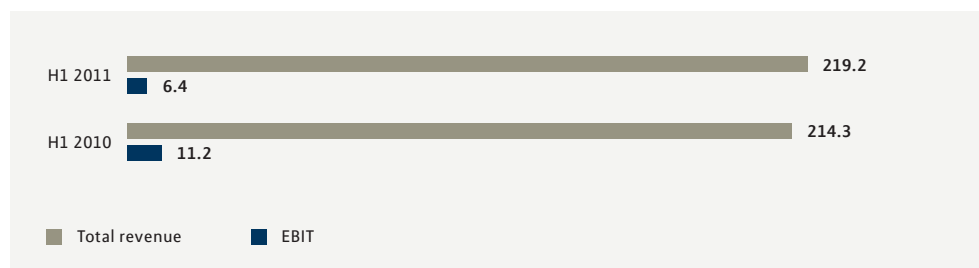
### Financial services segment

In the first half-year 2011 MLP increased total revenues in the financial services segment from € 214.3 million to € 219.2 million compare to the previous year. Reasons for this rise include the high level of interest on the part of our clients to purchase their own residential property, which has a positive effect on the business development of our loans and mortgages business area, and rising revenues in the non-life insurance area. However, the most dynamic development was achieved in the health insurance area, where revenues in the first half-year climbed by 57 % (see section on “Results of Operations”).

Despite higher total revenues, EBIT fell from € 11.3 million to € 6.4 million. This decrease was mainly due to the rise in commission expenses to € 89.4 million (€ 76.7 million) and to the increase in personnel expenses to € 43.8 million (€ 39.2 million) due to the one-off exceptional costs within the framework of the investment and efficiency programme. The financial result remained almost unchanged and amounted to € –0.5 million at the end of June 2011. Earnings before taxes (EBT) fell from € 10.8 million to € 5.9 million.

Compared to the same period of the previous year total revenues in the second quarter 2011 decreased from € 102.3 million to € 97.9 million. EBIT fell to € –5.1 million (€ 6.0 million). EBT declined from € 5.8 million to € –5.2 million.

### Total revenue and EBIT for the financial services segment (in € million)



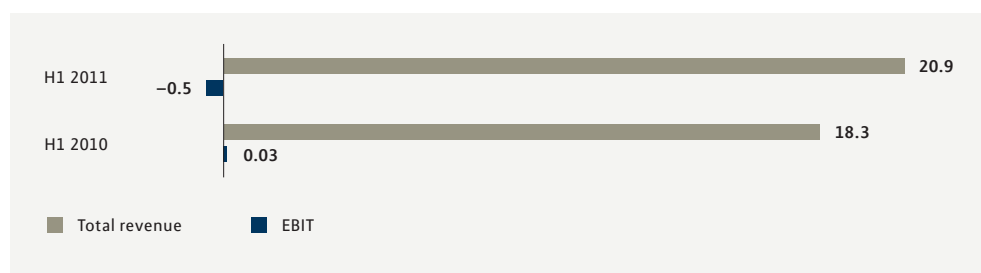
[Figure 07]

### Feri segment

The companies of Feri Finance AG were also able to increase revenues in the first half-year 2011. The companies that form this segment Feri improved total revenues from € 18.3 million to € 20.9 million. EBIT fell to € -0.5 million (€ 0.0 million). Primarily this result was negatively affected by higher commission expenses as well as by increased personnel expenses due in part to one-off exceptional costs within the framework of the investment and efficiency programme. At the end of June 2011 EBT amounted to € -0.5 million.

Compared to the same quarter in the previous year, the companies of Feri Finance AG increased total revenues significantly in the second quarter 2011 from € 9.5 million to € 11.5 million. Corresponding to the half-year result, exceptional costs also affected the EBIT in the second quarter which fell from € 0.3 million to € -0.2 million. EBT declined from € 0.2 million to € -0.2 million.

### Total revenue and EBIT for the Feri segment (in € million)



[Figure 08]

### Holding segment

In the first half-year 2011 the Holding segment posted a fall in total revenues from € 6.3 million to € 5.7 million. EBIT fell to € -4.1 million (€ -2.9 million). This development was primarily due to increased personnel expenses which rose from € 2.3 million to € 3.7 million mainly on account of one-off exceptional costs within the framework of the investment and efficiency programme. The financial result improved significantly from € 0.6 million to € 2.1 million. EBT improved slightly and stood at € -2.0 million (€ -2.3 million) at the end of June.

Total revenues in the Holding segment fell only slightly in the second quarter 2011 to € 2.7 million (€ 2.9 million). EBIT improved from € -2.0 million to € -1.6 million. EBT at the end of the second quarter amounted to € -1.1 million compared to € -2.0 million in the previous year.

## RISK REPORT

There were no significant changes in the risk situation of the MLP Group during the period under review. Even in the aftermath of the financial and economic crisis there were no exceptional burdens within the framework of our counter-party default risks, market price risks, liquidity risks, and operational or other risks. The MLP Group has adequate liquid funds. At the reporting date on June 30, 2011, our core capital ratio amounted to 23.1 % and continued to far exceed the 8 % level prescribed by the supervising authority. At the present time, no existence threatening risks to the MLP Group have been identified.

A detailed presentation of our corporate risks as well as a detailed description of our risk management are contained in our risk and disclosure report on pages 85 to 104 of the Annual Report 2010.

## RELATED PARTY DISCLOSURES

Related party disclosures are contained in the Annual Report 2010, page 228 et seq., and the notes.

## OUTLOOK FOR THE CURRENT FINANCIAL YEAR/FORECAST

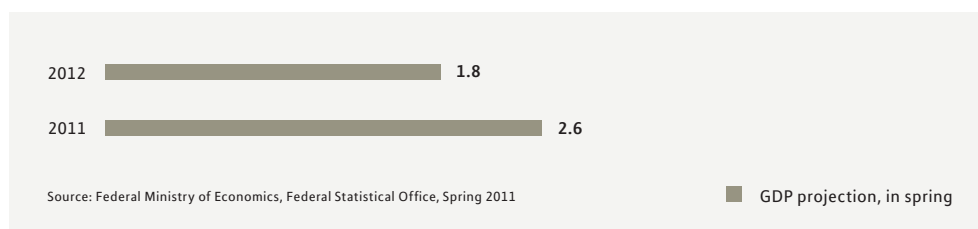
### Future macroeconomic development

The German gross domestic product grew considerably during the first half-year 2011. Overall, experts expect the German economy, in which MLP generates almost 100% of its total revenues, to continue to expand during the second half-year 2011. However, the Federal Ministry of Economics anticipates that the macroeconomic growth will slow somewhat. This statement is backed up by the most recent development in the ifo business climate index issued by the Institute for Economic Research (ifo) in Munich, which, as an early indicator, provides information about the assessment of the current business situation of industry. In June this index unexpectedly fell from 114.5 to 112.9 points. Accordingly, the surveyed companies also assume that the current upswing will lose some of its present momentum.

Overall, the federal government expects the gross domestic product to grow by at least 2.6% during the current year and by 1.8% in 2012. The labour market will also benefit from these developments. Furthermore, the federal government anticipates that due to the latest round of wage settlements, the gross wage sum will rise at a normal rate, both in this year and next year. An increase of 3.1% is expected in 2011 and 3.3% in 2012.

In general, it must however be assumed that the foreign trade risks, such as the effects of the debt crisis in the United States of America and in Europe will increase and impact the development of the German economy.

### Expected growth in GDP in Germany (in %)



[Figure 9]

### **Future situation within the industry and competition**

A description of the framework conditions for our most important markets – old-age provision, health insurance and wealth management – is contained in our Annual Report 2010 on page 104 et seq. During the first six months of the financial year 2011 there were no significant changes to the overall situation.

In private and occupational old-age provision we continue to expect – in line with numerous market studies – that in the medium term meaningful growth rates will materialise. Triggered by the demographic development, several reforms have been initiated during recent years that have led to a significant fall in the level of benefits offered by the state pension scheme – thereby considerably increasing the need for supplementary old-age provision. At the same time, the federal government has significantly improved state subsidies for private and occupational pensions. All in all, we expect that this situation – irrespective of the current hesitancy on the part of many consumers - will once again result in sustainable growth rates in this market segment.

The demographic development also directly affects the health insurance business area. Together with the advances in medical technology, this is now putting significant pressure on the statutory healthcare system – which in turn could result in further cuts to the range and scope of treatments and services or forces premiums to rise. At the beginning of this year the federal government increased the premiums in the statutory healthcare scheme – a move which further increases the attractiveness of private health insurance. Another positive aspect for the private health insurance is that since the start of the year, insurees in the statutory health insurance scheme can now more easily switch to full private health insurance, and only need to exceed the annual income threshold of € 49,500 once to be able to transfer.

We also see further growth potential in the wealth management market – both in the MLP private client market as well as at Feri. This results in part from the continuingly high liquidity orientation of many investors as well as from the high wealth figures in Germany.

A further factor influencing the market development are the regulatory framework conditions. Following the numerous steps taken by the legislator during recent years in order to increase the level of professionalism in the market, new measures have recently been initiated or passed such as the Investor Protection Act (“Anlegerschutz- und Funktionsverbesserungsgesetz”) and the revision of financial investment brokerage and asset investment legislation (“Novellierung des Finanzanlagenvermittler- und Vermögensanlagerechts”). These moves will further strengthen the trend towards quality and transparency which will also accelerate the consolidation in the market. As a market leader in client orientation, MLP stands to benefit from such developments.

### **Anticipated business development**

At the start of April 2011 MLP initiated extensive investments. At the same time we are accelerating our ongoing efficiency programme and pulling forward measures into the current financial year. The measures will focus on strengthening the MLP brand through an extensive marketing campaign, significant improvement of visibility at the branch locations, even more effective support for MLP consultants as well as further optimisation of processes.

The concentration of the efficiency measures into the current financial year will result in one-off exceptional costs of around € 30 million in 2011. At the same time MLP expects to achieve a sustainable reduction in annual fixed costs of at least € 30 million by the end of 2012.

Following completion of the first half-year 2011 we see no reason to amend the qualitative revenue forecast provided in our Annual Report 2010. In wealth management and in health insurance we expect to achieve revenue growth, both in 2011 as well as in 2012. However, the business environment in old-age provision remains challenging. From a current perspective, we still expect to achieve stable revenues in this area for the current financial year, followed by a slight increase in 2012.

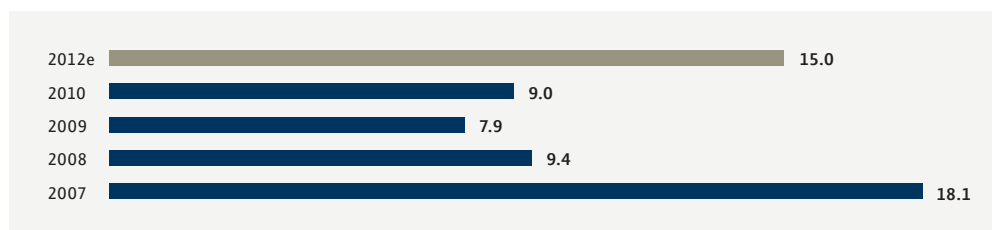
Despite one-off exceptional costs of approximately € 30 million, we expect to achieve a positive result in 2011. We also maintain our objective to achieve an operating EBIT margin of 15 % in 2012.

**Anticipated development of revenue 2011 to 2012**

	2011	2012
Revenue old-age provision	→	→
Revenue wealth management	↗	↗
Revenue health insurance	↗	↗

[Table 07]

**Development of the operating EBIT margin 2007-2012 (in %)**



[Figure 10]

**Opportunities**

Significant changes to the opportunities resulting from the framework conditions, corporate-strategic opportunities or business opportunities did not occur during the period under review. Relevant detailed explanations are contained in the Annual Report on page 114 et seq.

**EVENTS SUBSEQUENT TO THE REPORTING DATE**

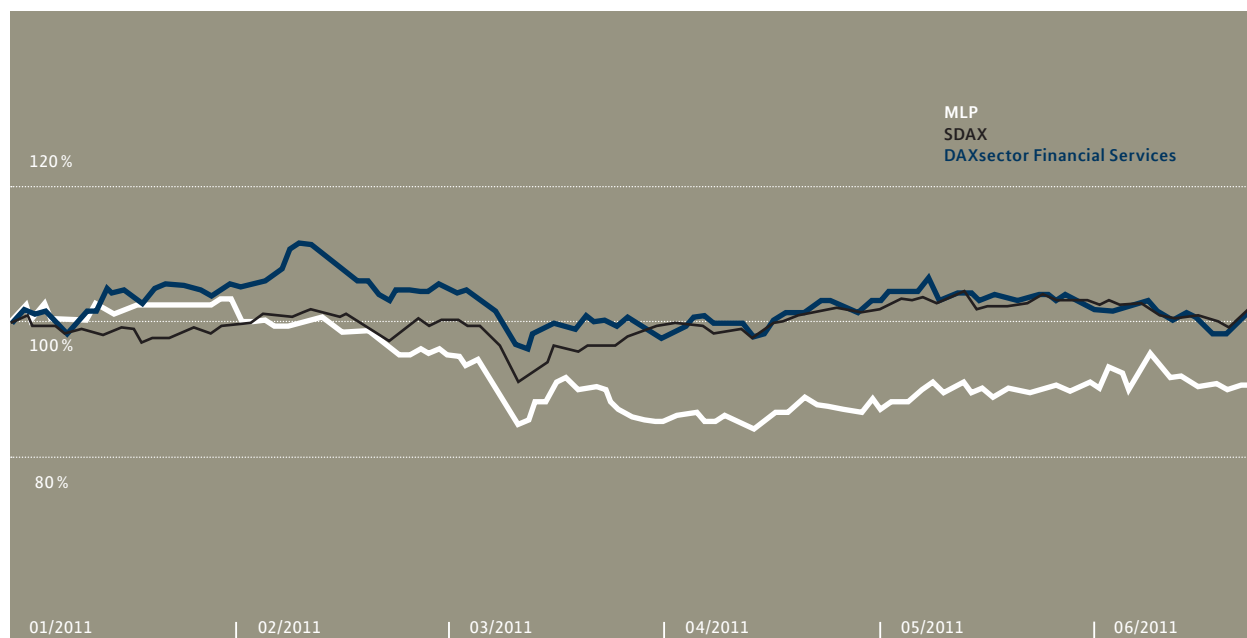
There were no notable events subsequent to the reporting date which may affect the MLP Group’s net assets, financial position or results of operations.

## Investor Relations

### Development in the stock markets

During the period under review the worldwide stock markets developed very differently and fluctuated significantly. In this respect, in the first half-year the American Dow Jones Industrial Average Index was less influenced by the debt problems in the USA than the European indices were affected by the financial problems of certain member states. At the end of June, the Dow Jones Index stood at 12,414 points and was thus 7.3 % higher than at the start of the year. During the first half-year 2011 the German DAX index rose by 5.5 % and closed at the end of June at 7,376 points. The small cap index SDAX rose more modestly, climbing by 3.3 %. At June 30, 2011 the index stood at 5,417 points. The DAXsector Financial Services index – the index for financial services companies in Germany – also rose slightly by 2 % compared to the start of the year.

### MLP share, SDAX and DAXsector Financial Services in the first half-year 2011



Source: German Stock Exchange

[Figure 11]

### The MLP share

At June 30, 2011 the MLP share stood at € 7.07, representing a fall of 7.5 % compared to its closing price at the end of 2010. The MLP share price fluctuated between a high of € 7.85 at the start of February and a low of € 6.41 in the middle of April.

Further information concerning the MLP share is available from our Investor Relations page on the MLP website at [www.mlp-ag.com](http://www.mlp-ag.com) under the heading "MLP Share".

### Key figures of the MLP share

	1st half-year 2011	1st half-year 2010
Share price at the beginning of the half-year	€ 7.64	€ 8.27
Share price high	€ 7.85	€ 8.27
Share price low	€ 6.41	€ 6.21
Share price at the end of the half-year	€ 7.07	€ 7.31
Dividend for the previous year	€ 0.30	€ 0.25
Market capitalisation (End of reporting period)	€ 762,695,607.66	€ 788,586,264.78

[Table 08]

### Annual General Meeting – Shareholders approve dividend of € 0.30 per share

At the Annual General Meeting on June 10, 2011 the shareholders of MLP AG approved almost unanimously (99.96 %) the proposal by the Executive and Supervisory Boards to pay a dividend of € 0.30 per share – an increase of 20 % compared to the previous year. The dividend sum thus amounts to € 32.4 million, the distribution ratio amounts to almost 100 % of net profit.

In total, more than 600 shareholders attended the Annual General Meeting and represented around 73 % of the equity capital. They passed all the agenda items with a large majority. The resolutions included the approval of the profit transfer contract with Feri Finance AG and the remuneration of the members of the Executive Board. Furthermore the shareholders elected KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as auditor for the financial statements and the consolidated financial statements as well as for the review of the half-year financial report 2011. Additionally they approved a resolution permitting MLP to buy back its own shares up to a maximum of 10 % of share capital until December 9, 2013.

Further information about all aspects of the MLP Annual General Meeting is available from our Investor Relations page on the Internet at [www.mlp-ag.com/investorrelations/calendar/annual-general-meeting](http://www.mlp-ag.com/investorrelations/calendar/annual-general-meeting).

# Income statement

## Income statement for the period from January 1 to June 30, 2011

All figures in €'000	Notes	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010
Revenue	(6)	105,850	105,963	231,376	221,252
Other revenue		3,456	5,652	8,772	11,555
<b>Total revenue</b>		<b>109,306</b>	<b>111,616</b>	<b>240,148</b>	<b>232,807</b>
Commission expenses	(7)	-43,462	-37,152	-91,754	-77,475
Interest expenses		-1,991	-2,588	-4,164	-5,058
Personnel expenses	(8)	-30,736	-25,596	-60,624	-53,214
Depreciation and amortisation	(9)	-4,195	-4,056	-7,817	-8,168
Other operating expenses	(10)	-36,041	-38,200	-74,569	-80,932
Earnings from shares accounted for using the equity method		275	260	509	363
<b>Earnings before interest and tax (EBIT)</b>		<b>-6,843</b>	<b>4,284</b>	<b>1,729</b>	<b>8,323</b>
Other interest and similar income		800	1,758	2,048	3,421
Other interest and similar expenses		-413	-1,968	-2,658	-4,131
<b>Finance cost</b>	(11)	<b>386</b>	<b>-211</b>	<b>-610</b>	<b>-710</b>
<b>Earnings before tax (EBT)</b>		<b>-6,457</b>	<b>4,073</b>	<b>1,119</b>	<b>7,613</b>
Income taxes <sup>3</sup>		1,606	-560	-1,341	-2,110
<b>Earnings from continuing operations after tax</b>		<b>-4,851</b>	<b>3,513</b>	<b>-222</b>	<b>5,503</b>
<b>Earnings from discontinued operations after tax</b>	(18)	<b>496</b>	<b>41</b>	<b>518</b>	<b>-245</b>
<b>Net profit</b>		<b>-4,355</b>	<b>3,555</b>	<b>296</b>	<b>5,258</b>
Of which attributable to					
owners of the parent company		-4,355	3,555	296	5,258
<b>Earnings per share in €<sup>1</sup></b>					
<b>From continuing operations</b>					
basic		-0.04	0.03	0.00	0.05
diluted <sup>2</sup>		-0.04	0.03	0.00	0.05
<b>From continuing and discontinued operations</b>					
basic		-0.04	0.03	0.00	0.05
diluted <sup>2</sup>		-0.04	0.03	0.00	0.05

<sup>1</sup> Basis of calculation: Average number of shares at June 30, 2011: 107,877,738, Potential shares (convertible debentures): 448,005.

<sup>2</sup> The ordinary shares resulting from the conversion of convertible debentures are treated as shares already issued.

<sup>3</sup> A tax effect correction undertaken at June 30, 2010 was withdrawn at December 31, 2010. This resulted in an income tax decrease amounting to € 434 thsd which reduced the earnings from discontinued operations.

[Table 09]



## Statement of comprehensive income

### Statement of comprehensive income for the period from January 1 to June 30, 2011

All figures in €'000	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010
<b>Net profit</b>	-4,355	3,555	296	5,258
<b>Other comprehensive income</b>				
Securities marked to market	61	652	-545	2,354
Tax expense	-48	-70	42	-82
<b>Other comprehensive income after tax</b>	12	581	-503	2,272
<b>Total comprehensive income for the year</b>	-4,343	4,136	-208	7,530
Total comprehensive income attributable to owners of the parent company	-4,343	4,136	-208	7,530

[Table 10]

## Consolidated statement of financial position

### Assets as at June 30, 2011

All figures in €'000	Notes	June 30, 2011	Dec 31, 2010
Intangible assets		144,777	148,157
Property, plant and equipment		71,652	74,403
Investment property		11,045	11,178
Shares accounted for using the equity method		3,419	2,910
Deferred tax assets		4,005	3,283
Receivables from clients in the banking business		340,439	343,453
Receivables from banks in the banking business	(12)	455,335	485,023
Financial assets	(13)	236,758	252,687
Tax refund claims		12,704	11,846
Other accounts receivable and other assets	(14)	88,316	121,999
Cash and cash equivalents		36,331	50,470
<b>Total</b>		<b>1,404,782</b>	<b>1,505,411</b>

[Table 11]

### Liabilities and shareholders' equity as at June 30, 2011

All figures in €'000	Notes	June 30, 2011	Dec 31, 2010
Shareholders' equity	(15)	395,906	428,390
Provisions		47,143	51,960
Deferred tax liabilities		10,718	10,551
Liabilities due to clients in the banking business		840,123	819,294
Liabilities due to banks in the banking business		14,781	16,391
Tax liabilities		1,553	1,109
Other liabilities	(14)	94,558	177,716
<b>Total</b>		<b>1,404,782</b>	<b>1,505,411</b>

[Table 12]

## Consolidated statement of cash flows

### Condensed statement of cash flows for the period from January 1 to June 30, 2011

All figures in €'000	1st half-year 2011	1st half-year 2010
Cash flow from operating activities	56,203	77,982
Cash flow from investing activities	-92,969	-75,871
Cash flow from financing activities	-32,368	-29,141
<b>Change in cash and cash equivalents</b>	<b>-69,134</b>	<b>-27,030</b>
Cash and cash equivalents at the end of the period	56,331	96,595
<b>Thereof discontinued operations</b>		
Cash flow from operating activities	-398	-3,062
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-
<b>Change in cash and cash equivalents</b>	<b>-398</b>	<b>-3,062</b>
Cash and cash equivalents at the end of the period	-	-

[Table 13]

### Condensed statement of cash flows for the period from April 1 to June 30, 2011

All figures in €'000	2nd quarter 2011	2nd quarter 2010
Cash flow from operating activities	7,271	34,683
Cash flow from investing activities	-119,919	-27,160
Cash flow from financing activities	-32,366	-26,969
<b>Change in cash and cash equivalents</b>	<b>-145,014</b>	<b>-19,446</b>
Cash and cash equivalents at the end of the period	56,331	96,595
<b>Thereof discontinued operations</b>		
Cash flow from operating activities	-335	1,689
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-
<b>Change in cash and cash equivalents</b>	<b>-335</b>	<b>1,689</b>
Cash and cash equivalents at the end of the period	-	-

[Table 14]

## Statement of changes in equity

All figures in €'000	Equity attributable to MLP AG shareholders				Total shareholders' equity
	Share capital	Capital reserves	Securities marked to market	Other equity	
<b>As at Jan 1, 2010</b>	<b>107,878</b>	<b>142,184</b>	<b>-1,573</b>	<b>170,044</b>	<b>418,532</b>
Dividend	-	-	-	-26,969	-26,969
<b>Transactions with owners</b>	-	-	-	<b>-26,969</b>	<b>-26,969</b>
Net profit	-	-	-	5,258	5,258
Other comprehensive income after tax	-	-	2,272	-	2,272
<b>Total comprehensive income</b>	-	-	<b>2,272</b>	<b>5,258</b>	<b>7,530</b>
<b>As at June 30, 2010</b>	<b>107,878</b>	<b>142,184</b>	<b>699</b>	<b>148,333</b>	<b>399,092</b>
<b>As at Jan 1, 2011</b>	<b>107,878</b>	<b>142,184</b>	<b>1,193</b>	<b>177,136</b>	<b>428,390</b>
Dividend	-	-	-	-32,363	-32,363
Changes to the scope of consolidation	-	-	-	88	88
<b>Transactions with owners</b>	-	-	-	<b>-32,276</b>	<b>-32,276</b>
Net profit	-	-	-	296	296
Other comprehensive income after tax	-	-	-503	-	-503
<b>Total comprehensive income</b>	-	-	<b>-503</b>	<b>296</b>	<b>-208</b>
<b>As at June 30, 2011</b>	<b>107,878</b>	<b>142,184</b>	<b>690</b>	<b>145,155</b>	<b>395,906</b>

[Table 15]

## Notes to the consolidated financial statements

### Segment reporting (quarterly comparison)

All figures in €'000	Financial services	
	2nd quarter 2011	2nd quarter 2010
Revenue	95,856	98,312
of which total inter-segment revenue	40	46
Other revenue	2,082	3,941
of which total inter-segment revenue	413	462
<b>Total revenue</b>	<b>97,938</b>	<b>102,253</b>
Commission expenses	-41,566	-36,740
Interest expenses	-1,991	-2,588
Personnel expenses	-23,253	-18,653
Depreciation/amortisation and impairment	-2,975	-2,711
Other operating expenses	-33,504	-35,850
Earnings from shares accounted for using the equity method	275	260
<b>Segment earnings before interest and tax (EBIT)</b>	<b>-5,076</b>	<b>5,971</b>
Other interest and similar income	49	91
Other interest and similar expenses	-199	-225
<b>Finance cost</b>	<b>-151</b>	<b>-134</b>
<b>Earnings before tax (EBT)</b>	<b>-5,227</b>	<b>5,837</b>
Income taxes		
<b>Earnings from continuing operations after tax</b>		
<b>Earnings from discontinued operations after tax</b>	<b>496</b>	<b>41</b>
<b>Net profit (total)</b>		

	Feri		Holding		Consolidation/Other		Total	
	2nd quarter 2011	2nd quarter 2010	2nd quarter 2011	2nd quarter 2010	2nd quarter 2011	2nd quarter 2010	2nd quarter 2011	2nd quarter 2010
	10,090	7,768	-	-	-95	-117	105,850	105,963
	56	71	-	-	-95	-117	0	0
	1,407	1,705	2,687	2,915	-2,720	-2,909	3,456	5,652
	-	-	2,307	2,447	-2,720	-2,909	0	0
	<b>11,497</b>	<b>9,473</b>	<b>2,687</b>	<b>2,915</b>	<b>-2,816</b>	<b>-3,026</b>	<b>109,306</b>	<b>111,616</b>
	-1,926	-407	-	-	30	-5	-43,462	-37,152
	-	-	-	-	1	-	-1,991	-2,588
	-6,651	-5,971	-832	-972	-	-	-30,736	-25,596
	-544	-586	-676	-759	-	-	-4,195	-4,056
	-2,545	-2,258	-2,804	-3,156	2,811	3,064	-36,041	-38,200
	-	-	-	-	-	-	275	260
	<b>-169</b>	<b>251</b>	<b>-1,625</b>	<b>-1,972</b>	<b>26</b>	<b>33</b>	<b>-6,843</b>	<b>4,284</b>
	9	1	748	1,667	-6	-2	800	1,758
	-8	-22	-216	-1,726	10	5	-413	-1,968
	1	-21	532	-59	4	3	386	-211
	<b>-168</b>	<b>230</b>	<b>-1,093</b>	<b>-2,031</b>	<b>30</b>	<b>37</b>	<b>-6,457</b>	<b>4,073</b>
							1,606	-560
							-4,851	3,513
							496	41
							-4,355	3,555

[Table 16]

## Segment reporting (half-year comparison)

All figures in €'000	Financial services	
	1st half-year 2011	1st half-year 2010
Revenue	212,976	205,804
of which total inter-segment revenue	99	103
Other revenue	6,258	8,469
of which total inter-segment revenue	843	903
<b>Total revenue</b>	<b>219,234</b>	<b>214,274</b>
Commission expenses	-89,417	-76,738
Interest expenses	-4,165	-5,059
Personnel expenses	-43,815	-39,190
Depreciation/amortisation and impairment	-5,338	-5,471
Other operating expenses	-70,631	-76,932
Earnings from shares accounted for using the equity method	509	363
<b>Segment earnings before interest and tax (EBIT)</b>	<b>6,376</b>	<b>11,247</b>
Other interest and similar income	107	187
Other interest and similar expenses	-579	-640
<b>Finance cost</b>	<b>-473</b>	<b>-453</b>
<b>Earnings before tax (EBT)</b>	<b>5,903</b>	<b>10,794</b>
Income taxes		
<b>Earnings from continuing operations after tax</b>		
<b>Earnings from discontinued operations after tax</b>	<b>518</b>	<b>-245</b>
<b>Net profit (total)</b>		

	Feri		Holding		Consolidation/Other		Total	
	1st half-year 2011	1st half-year 2010	1st half-year 2011	1st half-year 2010	1st half-year 2011	1st half-year 2010	1st half-year 2011	1st half-year 2010
	18,600	15,644	–	–	–200	–197	231,376	221,252
	101	94	–	–	–200	–197	0	0
	2,284	2,633	5,688	6,251	–5,458	–5,799	8,772	11,555
	–	–	4,615	4,895	–5,458	–5,799	0	0
	<b>20,884</b>	<b>18,278</b>	<b>5,688</b>	<b>6,251</b>	<b>–5,658</b>	<b>–5,996</b>	<b>240,148</b>	<b>232,807</b>
	–2,387	–808	–	–	50	71	–91,754	–77,475
	–	–	–	–	1	1	–4,164	–5,058
	–13,113	–11,741	–3,696	–2,283	–	–	–60,624	–53,214
	–1,070	–1,178	–1,408	–1,519	–	–	–7,817	–8,168
	–4,846	–4,522	–4,679	–5,398	5,587	5,920	–74,569	–80,932
	–	–	–	–	–	–	509	363
	–533	29	–4,095	–2,949	–20	–3	1,729	8,323
	17	2	4,407	4,244	–2,483	–1,013	2,048	3,421
	–12	–25	–2,285	–3,632	218	166	–2,658	–4,131
	5	–23	2,122	612	–2,265	–847	–610	–710
	–528	5	–1,973	–2,337	–2,284	–850	1,119	7,613
							–1,341	–2,110
							–222	5,503
							518	–245
							296	5,258

[Table 17]

## 1 Information about the company

The consolidated financial statements were prepared by MLP AG, Wiesloch, Germany, the ultimate parent company of the MLP Group. MLP AG is listed in the Mannheim Commercial Register under the number HRB 332697 at the address Alte Heerstraße 40, 69168 Wiesloch, Germany.

Since it was founded in 1971, MLP has been operating as a broker and adviser for academics and other discerning clients in the fields of old-age provision including occupational pension provision, health care, financing, wealth management and banking services.

## 2 Principles governing the preparation of the financial statements

The interim financial report has been prepared in line with the regulations set out in IAS 34 "Interim financial reporting". It is based on the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretation Committee (IFRIC), as applicable within the European Union (EU). In accordance with the provisions of IAS 34, the scope of the report has been reduced compared to the consolidated financial statements at December 31, 2010. The interim accounts were subject to an independent auditor's review.

Apart from exception detailed in note 3, the same consolidation principles and accounting policies as for the consolidated financial statements of the financial year 2010 have been applied to this interim financial report. These are presented in the Group notes of the annual report 2010 that can be downloaded from the company's website ([www.mlp-ag.com](http://www.mlp-ag.com)).

The interim financial report has been drawn up in euros (€), which is the functional currency of the parent company. Unless otherwise specified, all amounts are stated in thousands of euros (€'000). Both single and cumulative figures are values with the smallest rounding difference. As a result, differences to reported total amounts may arise when the individual values shown are added up.

## 3 Adjustments to the accounting policies

The accounting policies applied are the same as those used in the financial statements at December 31, 2010 except for the standards and interpretations to be used for the first time in the financial year 2011.

In the financial year 2011 the following new or revised standards are to be used by MLP for the first time:

- Improvement to IFRSs 2010.

With the exception of the more detailed reporting requirements in accordance with IAS 34, the improvements to IFRS 2010 (adopted by the EU in February 2011) have no effect on the presentation of the net assets, financial position or the results of operations.



#### 4 Scope of consolidation

In April 2011 MLP acquired the remaining 43.4 % shares in Feri Finance AG. The purchase price provisionally amounts to € 50.6 million. Even before the acquisition of the remaining shares, MLP did not report any minority holdings in Feri Finance as the main risks and opportunities arising from the legally not yet transferred shares since acquisition of the first shares in 2006 lay with MLP. Furthermore, since January 1, 2011 Institutional Trust Management Company s.à r.l., Luxemburg (ITM), a subsidiary of Feri Institutional Advisors GmbH, Bad Homburg v.d. Höhe, has been incorporated into the scope of consolidation.

#### 5 Seasonal influences on the business operations

Due to the seasonal development of its business, the Group generally expects earnings from continuing operations to be higher in the second half year than in the first half year.

#### 6 Revenue

All figures in €'000	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010
Old-age provision	56,374	59,707	106,882	118,568
Health insurance	13,707	13,746	41,751	26,605
Wealth management	20,857	18,803	40,206	37,127
Non-life insurance	3,984	3,781	20,796	20,177
Loans and mortgages	3,040	2,624	6,167	4,745
Other commission and fees	982	1,014	1,757	1,583
<b>Commission and fees</b>	<b>98,945</b>	<b>99,676</b>	<b>217,558</b>	<b>208,805</b>
<b>Interest income</b>	<b>6,905</b>	<b>6,288</b>	<b>13,818</b>	<b>12,447</b>
<b>Total</b>	<b>105,850</b>	<b>105,963</b>	<b>231,376</b>	<b>221,252</b>

[Table 18]

#### 7 Commission expenses

Commission expenses increased from € 77,475 thsd to € 91,754 thsd. They mainly contain commissions and other remuneration components for the self-employed MLP consultants. For further explanations please refer to the Management Report.

#### 8 Personnel expenses/Number of employees

Personnel expenses increased from € 53,214 thsd to € 60,624 thsd. This was mainly due to reorganisation costs. For further explanations please refer to the Management Report.

At June 30, 2011, the MLP Group had the following numbers of employees in the strategic fields of business.

All figures in €'000	June 30, 2011	of which part-time employees	June 30, 2010	of which part-time employees
Financial services	1,342	120	1,417	146
Feri	253	59	251	65
Holding	13	1	14	1
<b>Total</b>	<b>1,608</b>	<b>180</b>	<b>1,682</b>	<b>212</b>

[Table 19]

## 9 Depreciation/amortisation and impairment

Depreciation/amortisation and impairment includes non-scheduled write-downs on property, plant and equipment amounting € 628 thsd (previous year: € 0 thsd).

## 10 Other operating expenses

All figures in €'000	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010
IT operations	12,009	11,625	24,206	23,313
Rental and leasing	4,099	3,954	8,043	8,445
Administration operations	3,304	3,662	6,548	7,161
Consultancy	2,802	4,256	5,816	7,799
Representation and advertising	2,309	1,693	4,231	3,509
Training and further education	730	697	2,643	2,605
Write-downs and impairments of other accounts receivable and other assets	102	1,681	1,797	3,477
External services – banking business	1,669	1,847	3,279	3,642
Travel expenses	1,301	931	2,552	1,834
Premiums and fees	1,066	1,032	2,305	2,656
Entertainment	650	558	1,799	1,643
Expenses for commercial agents	949	1,154	1,781	2,671
Insurance	845	1,084	1,590	1,815
Write-downs and impairments of other receivables from clients in the banking business	538	872	1,062	2,171
Maintenance	343	424	866	804
Other personnel costs	353	280	660	577
Audit	207	254	439	600
Expenses from the disposal of assets	64	19	71	29
Sundry other operating expenses	2,702	2,177	4,879	6,180
<b>Total</b>	<b>36,041</b>	<b>38,200</b>	<b>74,569</b>	<b>80,932</b>

[Table 20]

The costs of IT operations are mainly attributable to IT services and computer centre services that have been outsourced to an external service provider. The expenses for administration operations contain costs relating to building operations, office costs and communication costs. External services - banking business mainly contain securities settlement and transaction costs in connection with the MLP credit card. The consulting costs are made up of tax advice costs, legal advice costs as well as general and IT consulting costs. The costs recognised under representation and advertising are attributable to media presence and client information activities. Write-downs and impairments of other accounts receivable and other assets comprise allowances for receivables from commercial agents. The expense for commercial agents includes expenses for former consultants and the training allowance for new consultants. Sundry other operating expenses mainly consist of external services, car costs, donations and specialist literature.

## 11 Finance cost

All figures in €'000	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010
<b>Other interest and similar income</b>	<b>800</b>	<b>1,758</b>	<b>2,048</b>	<b>3,421</b>
Interest and similar expenses from financial instruments	-94	-1,655	-2,017	-3,506
Accrued interest on pension provisions	-320	-313	-641	-625
<b>Other interest and similar expenses</b>	<b>-413</b>	<b>-1,968</b>	<b>-2,658</b>	<b>-4,131</b>
<b>Finance cost</b>	<b>386</b>	<b>-211</b>	<b>-610</b>	<b>-710</b>

[Table 21]

The reduction in other interest and similar income is attributable to the non-recurrence of interest that arose last year in connection with an audit, as well as to lower income from interest rate swaps. The decrease in other interest and similar expenses is mainly due to the non-recurrence of write-downs on financial investments (previous year: € 1,236 thsd) and to lower expenses for interest rate swaps. On the other hand, there were higher dividend payments to the other managing partners of Feri Finance AG amounting to € 1,740 thsd (previous year: € 653 thsd).

## 12 Receivables from banks in the banking business

The change in receivables from banks in the banking business from € 485,023 thsd to € 455,335 thsd, is mainly attributable to the profit transfer payment by MLP Finanzdienstleistungen AG to MLP AG and to the new investment of monies.

## 13 Financial assets

All figures in €'000	June 30, 2011	Dec 31, 2010
Available for sale		
Debt securities and holdings in investment funds	24,242	40,639
Investments	3,224	3,385
Held-to-maturity securities	104,016	83,379
Loans and receivables	105,275	125,284
<b>Total</b>	<b>236,758</b>	<b>252,687</b>

[Table 22]

The decrease in financial assets mainly results from the sale of investment fund holdings as well as from the outflow of fixed-term monies which exceeds the inflow of fixed-term securities. At June 30, 2011 the financial investments did not contain any securities from the PIIGS states.

#### 14 Other accounts receivable and other assets/other liabilities

Due to the seasonally stronger year-end business, high receivables from insurance companies as well as high liabilities towards commercial agents at December 31, 2010 had to be shown which were then balanced out in the first quarter of 2011. A lower amount of receivables and liabilities were built up in the first half-year of 2011. Furthermore, the fall in other liabilities was influenced by the purchase price payments for the remaining Feri shares.

#### 15 Shareholders' equity

##### Share capital

The share capital of MLP AG is made up of 107,877,738 no-par-value shares (December 31, 2010: 107,877,738 no-par-value shares). In the first half-year 2011 no new no-par-value shares were issued through the exercising of rights of conversion.

##### Dividend

In accordance with the resolution passed at the Annual General Meeting June 10, 2011 a dividend of € 32,363 thsd (previous year: € 26,969 thsd) was to be paid for the financial year 2010. This corresponds to € 0.30 per share (previous year: € 0.25).

#### 16 Notes on the consolidated statement of cash flows

The **cash flow from operating activities** results from cash flows that cannot be defined as investing or financing activities. This is determined on the basis of the consolidated net profit for the year from continuing operations, current earnings and profit from the sale of discontinued operations. As part of the indirect determination of the cash flow, the changes in statement of financial position items due to operating activities are adjusted by effects from changes to the scope of consolidation and currency translation. The changes in the respective statement of financial position items can therefore only be partially aligned with the corresponding values in the published consolidated statement of financial positions. Cash flow from operating activities has decreased by € 21.8 million to € 56.2 million. For further explanations please refer to the Management Report.

The **cash flow from investing activities** is mainly influenced by the investment of monies in fixed-term deposits as well as by the purchase of shares in companies. In the comparative period, cash flow from investing activities was influenced by the investment in fixed-term deposits and the purchase of long-term securities.

The change in the **cash flow from financing activities** mainly results from the higher dividend distribution by MLP AG compared to the comparative period.

Cash and cash equivalents with a term to maturity of not more than three months are recorded under cash and cash equivalents. Cash equivalents are short-term financial investments which can be converted into cash at any time and which are only subject to minor value fluctuation risks. The receivables from banks of MLP Finanzdienstleistungen AG are not included in cash and cash equivalents, as they are to be attributed to the operating activities of the banking business segment.

All figures in €'000	June 30, 2011	June 30, 2010
Cash and cash equivalents	36,331	51,617
Loans < 3 months	20,000	45,000
Liabilities to banks due on demand	–	–22
<b>Cash and cash equivalents</b>	<b>56,331</b>	<b>96,595</b>

[Table 23]

## 17 Notes on Group reporting by segment

There were no significant changes compared to December 31, 2010.

## 18 Discontinued operations

Expenses and income from discontinued operations break down as follows.

### Income statement of discontinued operations

All figures in €'000	2nd quarter 2011	2nd quarter 2010	1st half-year 2011	1st half-year 2010
<b>Operating profit</b>				
Earnings from the sale/disclosure of operations before tax	700	63	732	–242
Income taxes*	–205	–22	–214	–4
<b>Earnings from the sale of operations after tax</b>	<b>496</b>	<b>41</b>	<b>518</b>	<b>–245</b>
<b>Earnings from discontinued operations after tax</b>	<b>496</b>	<b>41</b>	<b>518</b>	<b>–245</b>
<b>Earnings per share in € from discontinued operations</b>				
basic and diluted	0.00	0.00	0.00	0.00

\* A tax effect correction undertaken at June 30, 2010 was withdrawn at December 31, 2010. This resulted in an income tax increase amounting to € 434 thsd which reduced the earnings from discontinued operations.

[Table 24]

### 19 Other financial commitments, contingent assets and liabilities and other liabilities

The purchase contract between MLP and the acquirer of MLP Finanzdienstleistungen AG, Vienna, contains a purchase price adjustment clause which is dependent on the expenses for the restructuring of MLP Finanzdienstleistungen AG, Vienna, until April 30, 2011 at the latest. In the first half-year 2011, MLP recorded receivables amounting to € 1 million. In addition, MLP is investigating the possibility of further receivables from the purchaser. The sale of MLP Finanzdienstleistungen AG, Vienna gives rise to contingent liabilities amounting to € 0.9 million.

Beyond this there were no significant changes compared to December 31, 2010.

### 20 Related party disclosures

Within the scope of the ordinary business, legal transactions under standard market conditions were made between the Group and members of the Executive Board and the Supervisory board. Ralf Schmid, Chief Operating Officer of the MLP Group as well as a member of the Executive Boards of MLP AG and MLP Finanzdienstleistungen AG, resigned from both boards on March 31, 2011. He received a severance payment. Reinhard Loose took up his duties as Chief Financial Officer on February 1, 2011.

Beyond this there were no significant changes compared to December 31, 2010.

### 21 Events subsequent to the reporting reference date

There were no notable events after the balance sheet date which may affect the MLP Group's net assets, financial position or results of operations.

Wiesloch, August 10, 2011

MLP AG

Executive Board

Dr. Uwe Schroeder-Wildberg      Manfred Bauer      Reinhard Loose      Muhyddin Suleiman

# Review Report

## To MLP AG

We have reviewed the condensed interim consolidated financial statements – comprising the balance sheet, the income statement and comprehensive income, the condensed cash flow statement, the statement of changes in equity and selected explanatory notes – together with the interim group management report of MLP AG, Wiesloch, for the period from January 1, 2011 to June 30, 2011 that are part of the semi annual financial report according to § 37w WpHG (“Wertpapierhandelsgesetz”: German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company’s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Frankfurt am Main, August 11, 2011

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Dr. Hübner  
Wirtschaftsprüfer  
(German Public Auditor)

Fust  
Wirtschaftsprüfer  
(German Public Auditor)

## Assurance by the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Wiesloch, August 10, 2011

MLP AG

Executive Board

Dr. Uwe Schroeder-Wildberg      Manfred Bauer      Reinhard Loose      Muhyddin Suleiman



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## Executive bodies at MLP AG

### Executive Board

Dr. Uwe Schroeder-Wildberg  
(Chairman,  
appointed until December 31, 2012)

Manfred Bauer  
(Product Management and Purchasing,  
appointed until April 30, 2015)

Reinhard Loose  
(Chief Financial Officer,  
since February 1, 2011,  
appointed until January 31, 2014)

Ralf Schmid  
(Chief Operating Officer,  
appointed until March 31, 2011)

Muhyddin Suleiman  
(Sales,  
appointed until September 3, 2011)

### Supervisory Board

Dr. Peter Lütke-Bornefeld  
(Chairman,  
appointed until 2013)

Dr. h. c. Manfred Lautenschläger  
(Vice chairman,  
appointed until 2013)

Dr. Claus-Michael Dill  
(appointed until 2013)

Johannes Maret  
(appointed until 2013)

Maria Bähr  
(Employee representative,  
appointed until 2013)

Norbert Kohler  
(Employee representative,  
appointed until 2013)

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# Financial Calendar 2011

## NOVEMBER

### **November 10, 2011**

MLP publishes the Interim Report for the first nine months and the third quarter.

### **November 23-24, 2011**

Roadshow in London amongst others.

MLP presents its business activities, strategy and the long-term outlook for the company to investors.

## SEPTEMBER

### **September 28, 2011**

UniCredit German Conference in Munich.

At this capital market conference, MLP presents its business activities, strategy and the long-term outlook for the company to investors.

All updated Investor Relations dates can be found in our financial calendar at: [www.mlp-ag.com/investor-relations/calendar](http://www.mlp-ag.com/investor-relations/calendar)

#### **PROGNOSIS**

This documentation includes certain prognoses and information on future developments founded on the conviction of MLP AG's Executive Board and on assumptions and information currently available to MLP AG. Words such as "expect", "anticipate", "estimate", "assume", "intend", "plan", "should", "could", "project" and other similar terms used in reference to the company describe prognoses based on certain factors subject to uncertainty.

Many factors can contribute to the actual results of the MLP Group differing significantly from the prognoses made in such statements.

MLP AG accepts no liability to the public for updating or correcting prognoses. All prognoses and predictions are subject to various risks and uncertainties, which can lead to the actual results differing from expectations. The prognosis reflect the points of view at the time when they were made.

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