

Report for the third quarter 2007

The MLP Group

Key figures in € m	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006	Change in %
Continuing operations					
Total income	137.3	127.8 ¹	406.4	373.1 ¹	9%
Income from brokerage business	95.6	103.5 ¹	289.8	299.7 ¹	-3%
Income from banking business	20.1	17.5	59.1	51.5	15%
Income from wealth management	9.3	-	29.0	-	-
Other income	12.2	6.9 ¹	28.6	21.9 ¹	31%
Earnings before interest and tax (EBIT)	17.4	17.5 ¹	53.4	44.7 ¹	20%
EBIT margin %	12.7	13.7 ¹	13.1	12.0 ¹	-
Earnings from continuing operations	16.5	12.3 ¹	39.7	35.3 ¹	12%
Earnings per share (diluted) in €	0.16	0.12 ¹	0.39	0.33 ¹	18%
MLP Group					
Earnings before interest and tax and before profit from the sale of operations (EBIT)	16.1	15.9 ¹	48.4	40.2 ¹	20%
Net profit (total)	8.0	11.1	27.3	30.5	-10%
Earnings per share (diluted) in €	0.08	0.11	0.27	0.29	-7%
Capital expenditure	5.3	2.9	11.8	17.4	-32%
Shareholders' equity	-	-	310.0	323.4 ²	-4%
Equity ratio %	-	-	24.8	25.5 ²	-
Balance sheet total	-	-	1,249.4	1,266.1 ²	-1%
Clients ³	-	-	707,000	685,000 ²	3%
Consultants ³	-	-	2,579	2,571 ²	0%
Branch office ³	-	-	259	255 ²	2%
Employees ³	-	-	1,912	1,599	20%
Arranged new business					
Old-age provisions (premium sum in € billion)	1.3	1.5	3.5	4.3	-19%
Health insurance (annual premium)	10.3	21.9	33.9	55.8	-39%
Loans	300	314	918	963	-5%
Funds under management in € billion	-	-	11.2	10.8 ⁴	4%

¹ Adjustments of previous year's figures, see note 3 and 5.

² As at December 31, 2006.

³ Continuing operations.

⁴ MLP and Feri as at December 31, 2006.

Interim Group report for the first 9 months and Q3 2007

Macroeconomic environment

MLP generates more than 97% of its total income in its core market, Germany, and is thus primarily influenced by the business development in its domestic market.

During the first nine months of 2007 the upswing in the German economy continued – so far apparently unperturbed by the effects of the property crisis in the USA. The positive economic development benefited particularly from consistently strong exports and further improvement in domestic, household consumption. This positive development also supports the labour market. The number of people unemployed in Germany in September fell to around 3.5 million, representing the lowest level since the autumn of 1995. The savings ratio in Germany in the first half of 2007 rose to 10.9%, attaining its highest level since the mid-1990s. The corresponding figure for the same period of the previous year stood at 10.5%. This may possibly be attributable to planned purchases being brought forward into 2006 ahead of the increase in VAT from the start of 2007, as well as to a generally heightened awareness of the need for private old-age pension provision. Experts do not anticipate a significant fall in this savings ratio during the coming months. The annual inflation rate in September was running at 2.4%. The increase in the rate of inflation compared to the previous year and the associated reduction in disposable national income are particularly attributable to higher prices for food and fuels.

Situation within the industry and the competitive environment

Old-age pension provision

The subject of tax-subsidised old age pension provision is gaining in importance. Currently, around 9 million citizens utilise the state “Riester pension” subsidy. Based on the number of those eligible to take out such policies, experts estimate that the total potential for “Riester policies” amounts to 30 to 36 million. In federal cabinet circles, a compromise is currently being sought to enable an extension of the Riester old-age pension provision subsidy to include private residential property. The so-called “Wohn Riester” would represent a new subsidy instrument and contain, based on the provisional drafts by government aides, a state subsidy for the purchase of a property.

Since the beginning of September, tax-subsidised “base” pension products based on investment funds have been available on the market. During the savings phase investors can invest in various funds according to their risk philosophy. When the payout phase is reached, the fund balance is then administered in the form of a retirement pension.

The grand coalition has decided on a continuation of the remuneration conversion scheme for supporting occupational pension beyond the end of 2008. This facility enables employees to pay up to four percent of their gross income into a pension fund, exempt from social security deductions or taxes.

Health provision

Since the healthcare reform came into effect on April 1, 2007, only a few non-insured people have so far returned to one of the state health insurance funds despite the new compulsory requirement for healthcare insurance. From January 1, 2009, private healthcare insurance companies too must offer the non-insured a so-called “base tariff”. In addition to opposition to the planned portability of old-age accruals for existing customers when switching between health insurance companies, this base tariff, in particular, as well as the tightening of the criteria for eligibility to switch to private healthcare insurance has encountered huge criticism from the private healthcare insurance companies. Since the healthcare reform came into force, those seeking to change must now demonstrate three consecutive years of gross annual income of at least €48,000 instead of the previous one-year requirement.

Competition

During the first nine months of 2007, there was intense discussion within the German financial services industry, particularly concerning the changes to the regulatory framework conditions. In addition to the EU Insurance Mediation Directive, that was already incorporated into national law and came into force in May 2007, the discussions specifically focussed on the following legislation changes:

- Markets in Financial Instruments Directive (MiFID)
(in effect since November 1, 2007)
- Revision of the German Insurance Contract Law (VVG)
(comes into effect on January 1, 2008)
- Introduction of a so-called flat-rate tax on capital gains within the framework of the corporate tax reform
(expected to come into effect on January 1, 2009)

In our view, all these changes will lead to a tightening of the competitive conditions and trigger a process of consolidation within the industry.

The already occurred or respectively announced market entry of new competitors during the current year demonstrates, on the one hand, the attractiveness of this market – however this will also lead to a further increase in the intensity of competition.

Company situation

EBIT in the first nine months of 2007 rises by 20% despite one-off charges

MLP significantly grew its operative business in the first nine months of the current financial year, resulting in a 20% rise in earnings before interest and taxes (EBIT) in continued operations to € 53.4 million. This figure includes one-off exceptional charges totalling €4.8 million in connection with compensatory payments and the merger of MLP Finanzdienstleistungen AG on MLP Bank AG. Since a large portion of these exceptional costs were incurred in the third quarter, the EBIT performance of €17.4 million during this period remained at the previous year's level.

Earnings before interest and taxes (EBIT in € million)

9M 2007	53.4
9M 2006	44.7

At €406.4 million, total income rose by nine percent compared to the previous year's level. Net profit from continuing operations climbed by twelve percent to €39.7 million. The rise in net profit of 35% in Q3 came in significantly higher since tax expenditure during this period only amounted to €1.2 (previous year: €6.5 million), resulting from a revaluation of the deferred taxes necessitated by the corporate tax reform 2008.

The brokerage business accounted for the largest portion of total income in the first nine months of 2007, totalling €289.8 million (previous year: €299.7 million). In the period from July to September revenues in this business segment increased by nine percent compared to the previous quarter and amounted to €95.6 million (Q2 2007: €87.9 million).

Total income from continuing operations (in € million)

9M 2007	289.8	59.1	29.0	28.6	406.4
9M 2006	299.7	51.5	21.9		373.1

Income brokerage business
Income banking business
Income from wealth management
Other income

In the banking business, income at the nine-month stage rose by 15 % to €59.1 million. This figure also reflects the brokerage placement of MLP wealth management concepts. Wealth management, which shows Feri Finance AG, contributed €29.0 million to total income.

The significant increase in other income is primarily made up of profits from disposals generated through the sale database business of Feri Fund Market Information Ltd, amounting to €3.9 million in Q3.

Expenses rose primarily as a result of the first-time consolidation of Feri

Personnel expenses in the first nine months of the current financial year increased significantly from €54.8 million to €75.8 million. This was mainly due to the comprehension of the employees of the Feri Group, which has been incorporated into the consolidation circle of the MLP Group since the fourth quarter of 2006. In addition, the personnel expenses for the first nine months of 2007 also include one-off compensatory payments.

The increase in depreciation as well as in operating expenses in the reporting period, rising from €12.4 million to €14.4 million and from €110.5 million to €116.2 million respectively, are likewise primarily due to the first consolidation of Feri.

At €0.7 million (previous year: €5.1 million) and €0.3 million (previous year: €1.3 million), the finance costs, both in the first nine months of 2007 as well as in Q3 of the current financial year came in considerably lower than in the corresponding periods of the previous year. This shows the effects of the reduction in the cash and cash equivalents available for investment as well as of interest expenses arising from accumulation of the residual price for Feri Finance AG.

Discontinued operations

The discontinued operations comprise MLP Lebensversicherung AG and MLP Versicherung AG which were sold in 2005, the business activities of MLP Private Finance AG, Zürich that ceased in 2006 as well as the cessation of the business activities of our subsidiaries in Great Britain and Spain in Q3 2007 in favour of further concentration on growth markets. The overall result in this area in the first nine months of 2007 amounted to -€12.4 million, due mainly to operative losses incurred by our subsidiaries in Great Britain and Spain and to necessary restructuring expenses for the cessation of business activities in these countries of -€11.3 million.

Overall, MLP achieved a group result amounting to €27.3 million (previous year: €30.5 million) in the period under review.

Balance sheet total almost unchanged

The rise in receivables and liabilities from the banking business at September 30, 2007 results from the increased deposits business and associated investment of funds.

At the reporting reference date of September 30, 2007, the financial investments and cash amounted to €154.0 million, representing a reduction of €16.4 million compared to December 31, 2006. Significant aspects influencing this figure were the dividend payment to shareholders of MLP AG amounting to €40 million and the influx of funds from the operative business in the first nine months of the current financial year.

The changes in the deferred tax charges are associated with a revaluation necessitated by the corporate tax reform 2008. The tax refund claims significantly reduced during the reporting period through receipt of payment for taxes on earnings, falling from €21.1 million to €12.7 million. Tax liabilities at September 30, 2007 amounted to €3.0 million (December 31, 2006: €7.6 million). The MLP-typical business cycle is responsible for the fall in receivables and other assets from €177.1 million to €94.6 million as well as for the reduction in other liabilities from €281.9 million to €202.4 million.

The financial resources on the reference date stood at €102.8 million (previous year: €152.9 million). The cash flow from operating activities rose in the first nine months of 2007 from €28.7 million to €38.7 million. This change compared to the previous year is mainly attributable to tax refunds that were paid out in the first quarter of 2007 as well as to the effect of the consolidation of Feri from the fourth quarter of 2006 on. The cash flows from investing activities and from financing activities significantly improved in the first nine months of the current financial year from -€27.5 million to -€14.2 million and from -€178.2 million to -€42.1 million. A major contributory factor towards the improvement of cash flow from investing activities were the lower payments for in-house, custom-developed software. The significant improvement in cash flow from financing activities is primarily due to the share buy-back programme in the previous year.

The company's equity capital at the reporting reference date on September 30, 2007 reduced to €310.0 million (December 31, 2006: €323.4 million), mainly due to the dividend distribution on June 1, 2007 to the MLP shareholders, amounting to €40 million. The result in the reporting period had a reverse effect.

Investments

In the first nine months of the current financial year, MLP invested a total of €11.8 million (previous year: 17.4 million), mainly within the consulting and sales segment in the improvement of IT support for client consultation and other client support service related processes.

Changes to the legal corporate structure

In July 2007, MLP Finanzdienstleistungen AG acquired a 49.8% holding in Interhyp Service GmbH, which now trades under the name MLP Hyp GmbH. The company serves to handle the joint residential mortgage business of MLP Finanzdienstleistungen AG and Interhyp AG. Business activities are expected to commence at the end of 2007.

New business: development in line with our planning

At September 30, 2007 the premium sum in the area of long-term pension products stood at €3.5 billion, an amount which, as expected, was below the high figure of the previous year (€4.3 billion), which had been significantly influenced by the increase in subsidised “Riester pension” contributions. In the private health care business, annual premiums fell, as anticipated, from €55.8 million to €33.9 million. The loans and mortgages volume stood at €918 million (€963 million). Since the beginning of the year, the volume of funds jointly managed with Feri Finance AG has risen from €10.8 billion to €11.2 billion.

Six new branch offices opened

In the first nine months of the year, MLP gained a total of 33,000 new clients. The number of MLP consultants stood at 2,579 which represents an increase of 30 compared to the previous quarter (June 30, 2007: 2,549). After a consolidation phase, MLP opened six new branch offices in the third quarter.

Extensive new statutory regulations

Due to the forthcoming introduction of the capital gains tax, MLP’s consulting activities during the coming months will also increasingly focus on the topic of tax-optimised financial investment. During recent months, MLP has made elaborate preparations with respect to the extensive changes contained within the upcoming reform of the German Insurance Contract Law. The legislation includes a broadening of the information obligations towards the client, greater cost transparency in life and health care insurance as well as the spreading of acquisition costs over five years.

Concentration on growth markets

Following MLP’s withdrawal from its less successful markets of Great Britain and Spain at the start of July 2007, from the third quarter both units are now shown as discontinued operations. In future, the financial services company MLP will concentrate its activities on its core market, Germany, as well as on its foreign operations in Austria and the Netherlands.

Changes in the company’s management

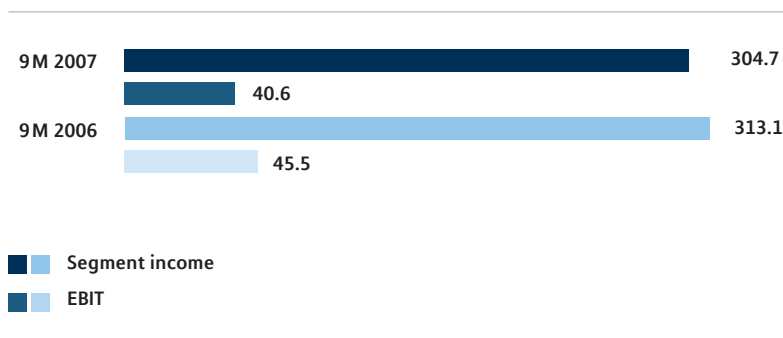
On September 4, 2007, and with immediate effect, the Supervisory Board of MLP AG appointed Muhyddin Suleiman as a new member of the Executive Board of MLP AG with responsibility for sales and marketing. In parallel, Dr. Wulf Böttger and the Supervisory Board of MLP AG amicably agreed that Dr. Böttger would step down from his position as executive board member of MLP AG.

Segment Report

Consulting and sales segment

At €304.7 million, income in the consulting and sales segment in the first nine months of 2007 was below the previous year's level (€313.1 million). The third quarter contributed €100.7 million (€107.9 million) to segment income. Viewed within the context of a nine-month comparison, the income from the non-life insurance area developed very positively. Income from loans and income from investments remained around the previous year's level, or fell slightly. Due to the strong first quarter in healthcare insurance policies prior to the passing of the healthcare reform, income in this area is almost at the previous year's level. Income from the brokerage of old-age pension products declined, however it should be noted that the revenues in 2006 were positively influenced by the "Riester step" in the first quarter of 2006.

Segment income and EBIT for consulting and sales segment (in € million)



The expenses in this segment in the first nine months of 2007 amounted to €278.3 million and thus remained below the previous year's figure of €286.7 million. In Q3 the segment expenses also fell compared to the same period last year and amounted to €94.4 million (€96.7 million). The mainly variable expenses for the brokerage business account for the largest portion of the expenses in this segment. In the first nine months of 2007, they amounted to €128.7 million, a reduction of around five percent compared to the previous year's figure. The decrease was even more pronounced in the third quarter. In the period from July to September 2007, the expenses for the brokerage business fell by eleven percent to €42.6 million. Personnel expenditure in the period from January to September 2007 rose by six percent to €47.6 million. In the third quarter, the rise in personnel costs was somewhat sharper, rising by eight percent to €14.8 million, reflecting the impact of one-off severance payments.

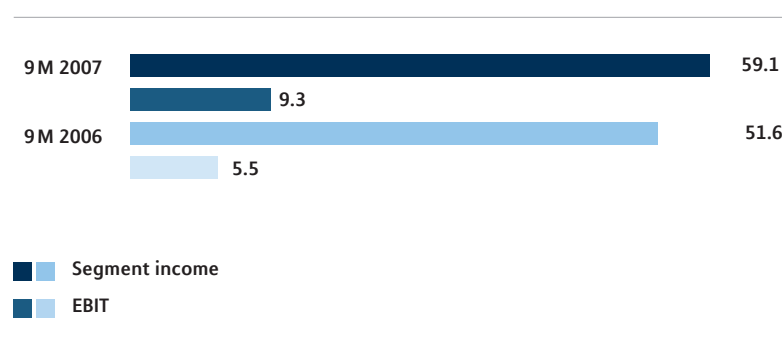
Depreciation expenses in this segment in the first nine months of the current financial year amounted to €9.5 million (€9.4 million) and thus remained around the previous year's level. In Q3 2007, write-downs totalled €3.4 million and were therefore above the previous year's level (€3.0 million). Overall, segment earnings before interest and taxes (EBIT) in the period from January to September 2007 amounted to €40.6 million (€45.5 million). In Q3, an EBIT figure of €10.5 million (€16.8 million) was achieved.

The finance costs of the segment in the first nine months of the current financial year amounted to €0.6 million and were thus significantly higher than the previous year's figure of €0.3 million. In the third quarter of 2007, the finance costs amounted to €0.3 million (€0.1 million).

Bank segment

In the first nine months of the current financial year, the bank segment continued to exhibit very positive business development. Segment income rose by 14 % compared to the previous year, reaching €59.1 million. In the third quarter of 2007 income of €20.1 million (previous year: €17.6 million) was achieved. Due to the increase in the deposit business and in the securities custody business, the commission income in the reporting period rose by 4 % compared to the previous year, amounting to €19.1 million. In the third quarter commission income of €6.4 million (previous year: €6.2 million) was achieved. The increase in interest income to €11.1 million (previous year: €8.6 million) and €3.8 million (previous year: €3.1 million) is attributable to the higher balance sheet volume as well as to an increased rate of interest.

Segment income and EBIT for the bank segment (in € million)



The expenses in the banking business, both in the first nine months of the current financial year, as well as in Q3 2007, increased slightly under-proportionally to the income. They amounted to €31.4 million (previous year: €26.9 million) and €10.7 million (previous year: €9.0 million) respectively.

This led to a rise of 70% to €9.3 million in the segment's earnings before interest and taxes (EBIT) in the reporting period compared to the previous year's epoch. In the third quarter of 2007, an EBIT performance of €4.6 million (previous year: €2.1 million) was achieved, influenced not only by the under-proportional development of the expenses but also by the release of an accrual.

Wealth management segment

In the wealth management segment income amounting to €29.0 million was achieved in the first nine months of 2007, whereby the third quarter contributed €9.3 million to the segment income. Earnings before interest and taxes (EBIT) in the reporting period totalled €8.7 million. The third quarter contributed €5.7 million towards this figure. Comparative values for the previous year are not available for this new segment, which was created in the fourth quarter of 2006 within the framework of the acquisition of a majority holding in Feri Finance AG.

Internal services and administration segment

In this segment, earnings before tax (EBT) in the first nine months of 2007 amounted to €0.1 million (previous year: €1.2 million). This included an additional subsequent profit component from the sale of the former subsidiary MLP Lebensversicherung AG amounting to €4.5 million (previous year: €4.5 million). In the third quarter of the current financial year the EBT achievement of -€3.5 million was significantly below the previous year's figure of -€0.2 million due to one-off severance payments and merger expenses.

Risk report

There were no significant changes to the risk situation of the group during the period under review. Currently, no existence-threatening risks to the MLP Group have been identified.

A detailed presentation of the corporate risks as well as a description of our risk management is contained in our annual report 2006.

Information relating to business with affiliated companies and persons is presented in the notes.

Outlook for the current financial year/forecast

The autumn report issued by leading German economic research institutes takes the view that the distortions on the international financial markets, brought about by US sub-prime crisis, will lead to only temporary dampening of the economic momentum in Germany, MLP's core market. The experts expect economic growth of 2.6% in the current year and forecast a slight weakening of economic momentum coupled with economic growth of 2.2% for 2008. Experts unanimously expect further recovery in private consumption in Germany during the second half of 2007, thus compensating for the effect of the VAT increase from the start of the year. In 2008, private consumption will continue to gather momentum and become one of the supporting pillars of the sustained economic upswing. According to estimates by the Federal Labour Office, this pleasing development is having a positive effect on the labour market, with a forecasted average of 3.8 million people unemployed for the current year and a 3.5 million jobless figure in 2008. It is as yet unclear as to what extent risk factors such as the weakening of economic momentum in the USA, the high euro exchange rate compared to the US dollar and the sharp rise in crude oil prices during recent weeks will lastingly burden economic development in Germany.

The business activities of MLP are particularly focussed on the areas of old-age pension and healthcare provision as well as financial investment and wealth management. The framework conditions in the areas of old-age pension provision, financial investment and wealth management have not significantly altered since the end of the financial year 2006.

We detect a continuing heightened awareness on the part of the population in Germany with respect to the essential need for personal provision measures in order to secure an income during old age and to safeguard the level of care in case of illness. However, this realisation does not always result in specific action since many people underestimate the time aspect when building up an adequate level of provision. Provision products are thus set to remain sales-intensive in the future.

From an MLP perspective, the introduction of the healthcare reform on April 1, 2007 has led to a deterioration of the framework conditions in the healthcare area. The forecasted decline in the development of the healthcare business occurred, albeit with a slight delay. At the start of 2007, income from policies concluded in the fourth quarter of 2006 continued to have a positive effect on this business since, due to accounting specifics, they were not booked as revenue-effective items until the first quarter of 2007. Following the introduction of the healthcare reform on April 1, 2007, there was, as expected, a decline in the demand for private full medical insurance policies. For the coming quarter, we expect continued sluggish demand for full medical insurance. For the full year 2007 we therefore forecast an overall decline in the healthcare business area. However, in the medium to long term, we anticipate that demand for private full health insurance and supplementary medical cover will pick up again.

In addition to VVR (Insurance Mediation Directive) and MiFID legislation that has been introduced during this year, the changes to the German Insurance Contract Law will also have an effect on the business development of insurance companies and sales organisations. Since no final decision has yet been made concerning decisive implementation regulations, it is currently difficult to forecast the specific effects of such changes.

In view of this macroeconomic and industry-specific background we see no reason to revise the forecasts made in our annual report 2006 with respect to business development in the financial year 2007. By creating clear sales impetus in September 2007 we paved the way for a pleasant progress, which was evident in the first few weeks of the new quarter and we expect the MLP specific year-end dynamics. Against this background MLP still assumes an increase of the earnings before interest and tax (EBIT) figure to around €110 million from the continuing operations. In the previous year this figure, including the to be discontinued business activities in Great Britain and Spain, amounted to €84.9 million.

Events subsequent to the reporting date

With effect from November 8, 2007, MLP will be continuing its share buy-back programme as announced, and will purchase a maximum of 1.8 % of the equity capital. Based on the share price level at the time of the Executive Board's decision (October 11, 2007), this equates to a figure of around €22 million. Together with the dividend payment for 2006, MLP is thus distributing some 95 % of last year's net profit from continuing operations to its shareholders.

On October 29, 2007 MLP AG exercised, as scheduled, its option rights to acquire the remaining 43.4 % holding in Feri Finance AG. The in rem execution of the transfers of the holdings will take place in the first half year of 2011. The exercise price which will become due in the second quarter of 2011, comprises both a fixed price of around €47.7 million as well as a performance-related component that is largely dependent on new business development in the wealth management division.

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

Prognoses

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 prognoses reflect the points of view at the time when they were made.

Investor Relations

At the end of the third quarter, the international capital markets can look back on a chequered development during the course of the year 2007 to date. A tumultuous rise in quoted prices took the main worldwide indices to new historic highs during the middle of July. Driven by a triad of positive economic data, take-over speculation and good company results, both the DAX (8,105 points) as well as the MDAX (11,377 points) reached levels never previously witnessed in these two indices.

Later, the spreading of the property crisis in the USA led to a huge change of mood as well as to a comprehensive consolidation in the markets. Only after repeated intervention in the money markets by the European Central Bank and the American Federal Reserve, as well as a significant lowering of the key interest rates in the USA by 50 basis points during the middle of September, were the capital markets able to recover their composure. This was followed by an extensive recovery on the worldwide exchanges. Compared to the levels at the beginning of 2007, the DAX was able to advance by 17.67% and the MDAX by 9.89%.

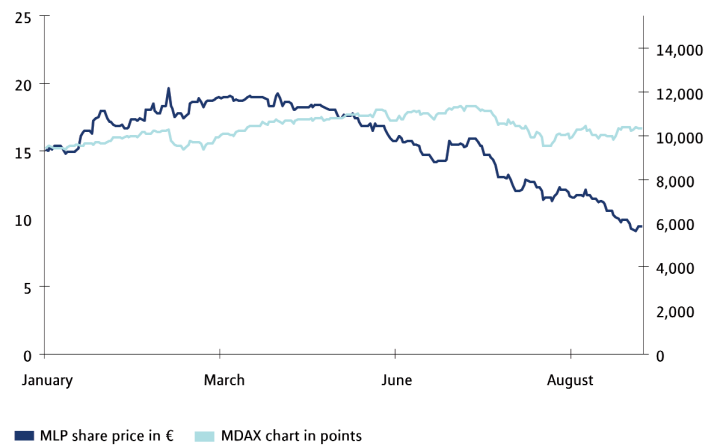
MLP's share price was not able to benefit from the overall positive development within the capital market during the first nine months of the current financial year. Compared to the first trading day of 2007, the MLP share fell by around 37% and closed at €9.44 at the end of trading on September 30, 2007.

The significant fall in the share price was particularly attributable to the uncertainties on the part of investors concerning the changes within the regulatory environment (Insurance Mediation Directive, MiFID and German Insurance Contract Law), the tighter competitor situation through the already occurred or respectively announced market entry of new competitors during the current year as well as the uncertainty due to the management changes at MLP.

During the third quarter we again carried out numerous meetings with investors either at road-shows or at capital market conferences, both in Germany and abroad.

On October 11, 2007 the Executive Board of MLP announced the initiation of a new share buy-back programme. From November 8, 2007 on a maximum of 1.8% (equating to 2,015,031 shares) of the current equity capital of the company are to be repurchased. Based on the share price level at the time of the Executive Board's decision (October 11, 2007), this equates to a figure of around €22 million. The main part of the programme is being undertaken under the leadership of an investment bank. Further details can be obtained by visiting www.mlp.de. Together with the dividend payment amounting to €40 million we will thus have distributed around €62 million to our shareholders in 2007, a figure that corresponds to some 95 % of the net profit from the continuing operations in 2006.

MLP share price and MDAX during the course of 2007



Consolidated income statement

Income statement for the period from January 1 to September 30, 2007

All figures in €'000	Note	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006
Continuing operations					
Income from brokerage business	[8]	95,603	103,472	289,792	299,650
Income from banking business	[9]	20,113	17,469	59,059	51,544
Income from wealth management	[10]	9,345	–	29,002	–
Other income		12,201	6,852	28,572	21,889
Total income		137,262	127,792	406,424	373,082
Expenses for brokerage business		–42,555	–47,964	–128,658	–135,781
Expenses for banking business	[11]	–5,578	–5,074	–16,237	–14,961
Expenses for wealth management		–219	–	–1,755	–
Personnel expenses	[12]	–25,057	–16,837	–75,758	–54,824
Depreciation/amortisation		–4,975	–4,006	–14,382	–12,358
Operating expenses	[13]	–41,424	–36,438	–116,181	–110,503
Earnings of associates accounted for using the equity method		–41	–	–41	–
Earnings before interest and tax (EBIT)		17,411	17,473	53,413	44,656
Other interest and similar income		1,718	2,241	4,975	8,123
Other interest and similar expenses		–1,397	–928	–4,227	–3,051
Finance cost		321	1,313	747	5,072
Earnings before tax (EBT)		17,732	18,787	54,160	49,728
Income taxes	[14]	–1,198	–6,532	–14,482	–14,406
Earnings from continuing operations		16,534	12,254	39,678	35,322
Earnings from discontinued operations	[20]	–8,508	–1,173	–12,359	–4,843
Net profit (total)		8,027	11,082	27,319	30,478
Of which					
shareholders of the parent company account for		8,027	11,082	27,319	30,478
minority interests account for		–	–	–	–
Earnings per share in €					
From continuing operations					
basic**		0.17	0.12	0.40	0.34
diluted**		0.16	0.12	0.39	0.33
From continuing and discontinued operations					
basic**		0.08	0.11	0.27	0.29
diluted**		0.08	0.11	0.27	0.29

* Adjustments of previous year's figures, see note 3 and 5.

** The ordinary shares resulting from the conversion of convertible debentures are treated as shares already issued.

Consolidated balance sheet

Assets as at September 30, 2007

All figures in € '000	Notes	September 30, 2007	December 31, 2006
Intangible assets		179,632	186,803
Property, plant and equipment		85,534	89,063
Investment property		14,796	15,063
Investments of associates accounted for using the equity method		1,604	–
Deferred tax assets		439	170
Receivables from banking business	[15]	699,770	606,383
Financial assets	[16]	70,213	49,905
Tax refund claims		12,657	21,057
Receivables and other assets	[17]	94,621	177,134
Cash and cash equivalents		83,831	120,507
Non-current assets or disposal group classified as held for sale	[18]	6,341	–
Total		1,249,438	1,266,085

Liabilities and shareholders' equity as at September 30, 2007

All figures in € '000	Notes	September 30, 2007	December 31, 2006
Equity attributable to MLP AG shareholders	[19]	309,928	323,376
Minority interest		63	63
Total shareholders' equity		309,991	323,439
Provisions		31,185	33,908
Deferred tax liabilities		17,151	19,556
Liabilities due to banking business		682,871	599,699
Tax liabilities		2,965	7,618
Other liabilities	[17]	202,350	281,865
Liabilities in connection with the disposal of non-current assets held for sale and disposal groups		2,925	–
Total		1,249,438	1,266,085

Consolidated cash flow statement

Consolidated cash flow statement for the period from January 1 to September 30, 2007

All figures in € '000	9 months 2007	9 months 2006
Cash flow from operating activities	38,728	28,708
Cash flow from investing activities	-14,198	-27,539*
Cash flow from financing activities	-42,110	-178,196*
Changes in cash and cash equivalents	-17,580	177,027
Changes in cash and cash equivalents due to exchange rate movements	-82	-14
Cash and cash equivalents at end of period	102,822	152,933

Thereof discontinued operations

All figures in € '000	9 months 2007	9 months 2006
Cash flow from operating activities	-4,261	-4,807
Cash flow from investing activities	-2,289	-3,875
Cash flow from financing activities	-	-
Changes in cash and cash equivalents	-6,546	-8,682
Changes in cash and cash equivalents due to exchange rate movements	-82	-14
Cash and cash equivalents at end of period	2,532	2,296

* The payments for the acquisition of own shares were transferred from the "cash flow from investing activities" to the "cash flow from financing activities".

Segment reporting (quarterly comparison)

Continuing operations

All figures in €'000	Consulting and Sales		Bank	
	3rd Quarter 2007	3rd Quarter 2006	3rd Quarter 2007	3rd Quarter 2006
Segment income				
Brokerage business	100,668	107,885*	–	–
Banking business	–	–	20,113	17,561
Wealth management	–	–	–	–
of which with other continuing segments	5,065	4,413	–	92
Total segment income	100,668	107,885	20,113	17,561
Other income	4,211	5,629*	1,794	3
Segment expenses				
Brokerage business	–42,555	–47,964*	–	–
Banking business	–	–	–10,710	–9,042
Wealth management	–	–	–	–
Personnel expenses	–14,788	–13,633*	–1,797	–1,804*
Depreciation and amortisation expenses	–3,371	–3,026*	–59	–60
Operating expenses	–33,628	–32,060*	–4,709	–4,553
Earnings of associates accounted for using the equity method	–41	–	–	–
Segment earnings before interest and tax (EBIT)	10,496	16,831	4,633	2,106
Other interest and similar income	407	140*	0	0
Other interest and similar expenses	–122	–79*	–23	–17*
Finance cost	285	61	–23	–17
Segment earnings before tax (EBT)	10,781	16,891	4,610	2,089
Income taxes	–	–	–	–
Segment result from continuing operations	–	–	–	–
Segment results from discontinued operations	–7,568	–1,463*	–	–
Group net profit incl. minority interest	–	–	–	–

* Adjustment of previous year's figures, see note 3 and 5.

	Wealth management		Internal services and administration		Consolidation/ Other		Total	
	3rd Quarter 2007	3rd Quarter 2006	3rd Quarter 2007	3rd Quarter 2006	3rd Quarter 2007	3rd Quarter 2006	3rd Quarter 2007	3rd Quarter 2006
	–	–	–	–	–5,065	–4,413	95,603	103,472
	–	–	–	–	–	–92	20,113	17,469
	9,345	–	–	–	–	–	9,345	–
	–	–	–	–	–	–	–	–
	9,345	–	–	–	–5,065	–4,505	125,061	120,941
	5,611	–	4,582	5,339	–3,998	–4,119	12,201	6,852
	–	–	–	–	–	–	–42,555	–47,964
	–	–	–	–	5,132	3,968	–5,578	–5,074
	–219	–	–	–	–	–	–219	–
	–5,772	–	–2,700	–1,400*	–	–	–25,057	–16,837
	–669	–	–877	–920	–	–	–4,975	–4,006
	–2,583	–	–4,503	–4,536*	3,998	4,711	–41,424	–36,438
	–	–	–	–	–	–	–41	–
	5,713	–	–3,497	–1,518	67	55	17,411	17,473
	109	–	1,306	2,173	–104	–71	1,718	2,241
	–19	–	–1,270	–847*	37	15	–1,397	–928
	90	–	36	1,325	–67	–56	321	1,313
	5,803	–	–3,461	–193	–	–1	17,732	18,787
	–	–	–	–	–	–	–1,198	–6,532
	–	–	–	–	–	–	16,534	12,254
	–	–	–	–	–940	290	–8,508	–1,173
	–	–	–	–	–	–	8,027	11,082

Segment reporting (9 months comparison)

Continuing operations

All figures in €'000	Consulting and Sales		Bank	
	9 months 2007	9 months 2006	9 months 2007	9 months 2006
Segment income				
Brokerage business	304,730	313,109*	–	–
Banking business	–	–	59,059	51,636
Wealth management	–	–	–	–
of which with other continuing segments	14,938	13,460	1	92
Total segment income	304,730	313,109	59,059	51,636
Other income	14,252	19,005*	1,817	99
Segment expenses				
Brokerage business	–128,658	–135,781*	–	–
Banking business	–	–	–31,367	–26,868
Wealth management	–	–	–	–
Personnel expenses	–47,566	–44,777*	–6,461	–5,499*
Depreciation and amortisation expenses	–9,524	–9,390*	–177	–224
Operating expenses	–92,546	–96,711*	–13,541	–13,656
Earnings of associates accounted for using the equity method	–41	–	–	–
Segment earnings before interest and tax (ЕБИТ)	40,646	45,456	9,329	5,488
Other interest and similar income	1,207	581*	1	1
Other interest and similar expenses	–585	–322*	–59	–50
Finance cost	622	259	–57	–50
Segment earnings before tax (ЕВТ)	41,269	45,715	9,272	5,439
Income taxes	–	–	–	–
Segment result from continuing operations	–	–	–	–
Segment results from discontinued operations	–11,262	–6,231*	–	–
Group net profit incl. minority interest	–	–	–	–

* Adjustment of previous year's figures, see note 3 and 5.

	Wealth management		Internal services and administration		Consolidation/ Other		Total	
	9 months 2007	9 months 2006	9 months 2007	9 months 2006	9 months 2007	9 months 2006	9 months 2007	9 months 2006
	–	–	–	–	–14,938	–13,460	289,792	299,650
	–	–	–	–	–1	–92	59,059	51,544
	29,002	–	–	–	–	–	29,002	–
	–	–	–	–	–	–	–	–
	29,002	–	–	–	–14,938	–13,552	377,853	351,194
	8,024	–	16,455	14,934	–11,976	–12,150	28,572	21,889
	–	–	–	–	–	–	–128,658	–135,781
	–	–	–	–	15,130	11,907	–16,237	–14,961
	–1,755	–	–	–	–	–	–1,755	–
	–16,704	–	–5,026	–4,548*	–	–	–75,758	–54,824
	–2,017	–	–2,664	–2,744	–	–	–14,382	–12,358
	–7,857	–	–14,214	–14,086*	11,978	13,949	–116,181	–110,503
	–	–	–	–	–	–	–41	–
	8,693	–	–5,449	–6,443	194	154	53,413	44,656
	211	–	9,356	10,364	–5,801	–2,823	4,975	8,123
	–20	–	–3,854	–2,734	290	56	–4,227	–3,051
	191	–	5,502	7,629	–5,511	–2,767	747	5,072
	8,884	–	53	1,186	–5,317	–2,613	54,160	49,728
	–	–	–	–	–	–	–14,482	–14,406
	–	–	–	–	–	–	39,678	35,322
	–	–	–	–	–1,097	1,388	–12,359	–4,843
	–	–	–	–	–	–	27,319	30,478

Changes in the consolidated shareholders' equity

All figures in € '000	Equity attributable to MLP AG shareholders						Minority interest	Total shareholders equity
	Share capital	Treasury stock	Capital reserves	Available-for-sale-reserve	Other comprehensive income	Total		
As at January 1, 2006	108,641	-10,505	11,474	63	345,456	455,129	63	455,192
Currency translation	-	-	-	-	93	93	-	93
Change in available for sale reserve	-	-	-	-64	-	-64	-	-64
Net profit	-	-	-	-	30,478	30,478	-	30,478
Dividends paid to shareholders and minority interests	-	-	-	-	-62,991	-62,991	-	-62,991
Convertible debentures	116*	-	2,435	-	-	2,551	-	2,551
Acquisition of treasury stock	-	-111,881	-	-	-	-111,881	-	-111,881
As at September 30, 2006	108,757	-122,386	13,909	-1	313,036	313,315	63	313,378
As at January 1, 2007	108,781	-148,353	14,487	69	348,392	323,376	63	323,439
Currency translation	-	-	-	-	-7	-7	-	-7
Change in available for sale reserve	-	-	-	-19	-	-19	-	-19
Net profit	-	-	-	-	27,319	27,319	-	27,319
Dividends paid to shareholders and minority interests	-	-	-	-	-42,118	-42,118	-	-42,118
Convertible debentures	30*	-	1,347	-	-	1,377	-	1,377
Acquisition of treasury stock	-	-	-	-	-	-	-	-
As at September 30, 2007	108,811	-148,353	15,833	50	333,586	309,928	63	309,991

* The increase in the amount of shares outstanding is due to the issue of new shares by way of the exercising of convertible bonds.

Selected notes to the financial statement

General Information

[1] Information about the company

The parent company of the group is MLP AG, Wiesloch, Germany. It is entered in the Mannheim Commercial Register under the number HRB 332697 with the address Alte Heerstrasse 40, 69168 Wiesloch, Germany.

Since it was founded in 1971, MLP has been advising academics and other discerning clients in the fields of old-age and health provision, insurance cover, financial investments and loans and mortgages.

The MLP Group offers financial services, wealth management and banking services.

[2] Principles governing the preparation

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 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). The interim accounts were not subject to an independent auditor's review.

Apart from the exception detailed in appendix information 3 and 5, the same consolidation principles and accounting policies as for the consolidated financial statements of the financial year 2006 have been applied to this interim financial report. These are presented in the Group notes of the annual report 2006 that can be downloaded from the company's website (www.mlp.de). The taxes on earnings in the period under review are entered based on the tax rates that were published in the last annual report.

The interim financial report has been drawn up in euros (€), the functional currency of MLP AG. Unless the notes state otherwise, all amounts are rounded to the nearest thousand 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 are added up.

[3] Changes in accounting policies

As of 2007, interest costs from the accrued interest of pension provisions are no longer recorded under the items "Personnel expenses" and "Operating expenses" but under the item "Other interest and similar expenses". The change in the disclosure of these figures means that accrued interests are now stated in accordance with their economic character under finance costs. In the income statement for the period from January to September 2006, accrued interest of pension provisions amounting to €498 thsd from "Personnel expenses" as well as €105 thsd from "Operating expenses" has been reclassified to "Other interest and similar expenses". This reclassification had no effect on net profit and earnings per share.

[4] Changes in the scope of consolidation

The interim financial report contains the financial statements of MLP AG and those of its controlled companies (subsidiaries) in accordance with IAS 27, in which it holds the majority of voting rights or for which it has control possibilities through other means. In the third quarter 2007, holdings in associated companies were incorporated into the consolidated accounts for the first time, using the equity method. Associated companies are companies over which MLP AG exerts substantial influence but which are neither subsidiaries nor joint undertakings.

In the second quarter of 2007, MLP Finanzdienstleistungen AG was amalgamated with MLP Bank AG. The merged company trades under the name MLP Finanzdienstleistungen AG.

In July 2007, MLP Finanzdienstleistungen AG acquired a 49.8% holding in Interhyp Service GmbH which trades under the name MLP Hyp GmbH. The company handles the joint residential mortgage business of MLP Finanzdienstleistungen AG and Interhyp AG.

In the third quarter of 2007, Feri Rating & Research GmbH sold Feri Fund Market Information Ltd. and its database business-specialised subsidiary FI Datenservice GmbH (previously Mainsee 437. V V GmbH, Frankfurt am Main) to Lipper European Media Manager, a wholly-owned subsidiary of Reuters.

Furthermore, the MLP Group purchased units in a special fund during the third quarter of 2007, which are intended for sale. At the reference date, MLP had significant influence over the financial and business policy of the fund.

Apart from this, there were no changes in the scope of consolidation.

[5] Adjusted previous year figures

Due to the cessation of business activities in Great Britain and Spain, which, in accordance with IFRS 5, are to be presented as discontinued operations, MLP AG has adjusted the previous year's reported income statement. For this purpose, expenses and income of MLP Private Finance plc., London, Great Britain, and of MLP Private Finance Correduria de Seguros S.A., Madrid, Spain, were reclassified into the earnings of the discontinued operations.

In the following table the figures adjusted for discontinued operations and the altered disclosure of accrued interest of pension provisions (see appendix information 3) are shown:

All figures in €'000	3rd Quarter 2006 adjusted	3rd Quarter 2006	9 months 2006 adjusted	9 months 2006	Change
Income from brokerage business	103,472	104,475	299,650	302,028	-2,378
Other income	6,852	6,855	21,889	21,834	55
Expenses for brokerage business	-47,964	-48,167	-135,781	-136,053	272
Personnel expenses	-16,837	-17,832	-54,824	-57,716	2,892
Depreciations	-4,006	-4,071	-12,358	-12,566	208
Operating expenses	-36,438	-37,638	-110,503	-113,962	3,459
Other interest and similar income	2,241	2,256	8,123	8,268	-145
Other interest and similar expenses	-928	-727	-3,051	-2,448	-603
Earnings from continuing operations	12,254	11,014	35,322	31,562	3,760
Earnings from discontinuing operations	-1,173	68	-4,843	-1,084	-3,760
Earnings per share from continuing operations in €					
Basic	0.12	0.11	0.34	0.30	0.04
Diluted	0.12	0.11	0.33	0.30	0.03
Earnings per share from discontinuing operations in €					
Basic	-0.02	0.00	-0.05	-0.01	-0.04
Diluted	-0.02	0.00	-0.05	-0.01	-0.04

[6] Acquisition of companies

MLP reported the purchase price allocation that was undertaken in the course of the acquisition of Feri Finance AG in the Group financial statements for the financial year 2006 based on provisional figures. In the second quarter of 2007 new information about the value of acquired assets and liabilities became available that led to a slight adjustment in the purchase price allocation.

Compared to December 31, 2006, the book values of the intangible assets were adjusted from €35,789 thsd to €36,629 thsd. This led to an increase of €314 thsd of deferred tax liabilities. On the other hand, the business or firm value decreased from €118,951 thsd to €118,424 thsd.

[7] 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 fourth quarter than in the previous quarters.

Notes to the consolidated income statement

The Group interim financial report at September 30, 2007 also includes the costs and income of the Feri Group which was acquired on October 20, 2006. This means that a comparison with the figures of the first nine months of the financial year 2006 or the third quarter of 2006 is only possible to a limited extent.

[8] Income from brokerage business

All figures in € '000	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006
Old-age provisions	74,990	78,493	204,044	214,220
Health insurance	10,055	14,772	44,752	45,556
Non-life insurance	2,877	1,918	19,476	16,981
Loans and mortgages	4,055	4,097	10,888	10,752
Mutual funds	2,735	3,484	8,475	10,103
Other income	892	708	2,158	2,037
Total	95,603	103,472	289,792	299,650

Due to a modified itemisation in the previous year there were minor movements between the sub-items "Old-age provisions", "Loans and mortgages" and "Other income".

[9] Income from banking business

All figures in €'000	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006
Comission income	11,816	11,210	35,452	33,687
Interest and similar income	8,365	6,395	23,473	17,680
Change fair value option	-68	-136	134	177
Total	20,113	17,469	59,059	51,544

[10] Income from wealth management

All figures in €'000	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006
Wealth management	5,010	-	16,800	-
Income from consulting/fees	4,335	-	12,202	-
Total	9,345	-	29,002	-

[11] Expenses for banking business

All figures in €'000	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006
Comissions paid	305	1,160	1,414	3,617
Interest and similar expenses	4,518	3,244	12,229	8,906
Allowances for losses	816	794	2,340	2,233
Change fair value option	-62	-124	253	205
Total	5,578	5,074	16,237	14,961

[12] Personnel expenses/Number of employees

Personnel expenses increased from €54,824 thsd to €75,758 thsd, primarily due to the first consolidation of the Feri Group in the fourth quarter of 2006, as well as to general salary increases and to one-off compensatory payments.

At September 30, 2007, the MLP Group had the following numbers of employees in the strategic fields of business:

	September 30, 2007	part-time employees	September 30, 2006	part-time employees
Consulting and sales	1,531	453	1,457	380
Banking	124	9	133	10
Wealth management	248	69	-	-
Internal services and administration	9	-	9	-
Total	1,912	531	1,599	390

[13] Operating expenses

All figures in €'000	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006
IT costs	9,561	9,343	25,472	28,413
Cost of premises	5,567	4,991	16,540	16,202
Audit and consultancy costs	4,670	1,858	11,957	6,362
Communication	2,147	2,353	6,140	8,285
Allowances for bad debts	482	150	2,392	591
Training and seminars	2,890	2,210	8,993	7,495
Expenses for retired sales representatives	2,041	1,672	4,621	3,589
Advertising expenses	1,756	3,151	5,619	8,255
Representation, entertainment expenses	1,792	1,039	4,549	4,153
Office supplies	695	661	2,306	2,090
Other taxes	45	43	136	131
Currency translation expenses	160	19	189	24
Sundry other expenses	9,618	8,949	27,267	24,913
Total	41,424	36,438	116,181	110,503

IT costs in the first nine months of the financial year decreased by €2,941 thsd compared to the corresponding period in the previous year, and the communication expenses fell by €2,145 thsd due to optimisation measures undertaken in the communication and IT areas.

The audit and consulting costs rose by €5,595 thsd, having been influenced by the first-time consolidation of the Feri Group. In addition, investment was made in the optimisation of the Group structure and in sales.

In the financial year 2007 the expenses for advertising costs fell by €2,636 thsd to €5,619 thsd.

Allowances for bad debt compare to income from the release of allowances for bad debt amounting to €701 thsd that are shown in other income.

Sundry other expenses mainly comprises other banking-related expenses, rental of notebooks, insurances, other rents, other personnel costs, travelling costs as well as contributions and fees.

[14] Income taxes

Income tax expenses for the current financial year are very close to the level of the comparative period of the previous year. Earnings tax expenses in 2007 decreased mainly by the adjustment of deferred taxes due to the corporation tax reform 2008. The previous year's figure contains income from trade tax refunds.

Notes on Group balance sheet

[15] Receivables from banking business

All figures in € '000	September 30, 2007	December 31, 2006
Receivables from clients	268,275	271,451
Receivables from other financial institutions	431,496	334,932
Total	699,770	606,383

The rise in receivables from the banking business from €606,383 thsd to €699,770 thsd results from the increase in receivables from other financial institutions due to investment of funds from the increased deposit business.

[16] Financial assets

All figures in € '000	September 30, 2007	December 31, 2006
Available for sale		
Investments	3,102	3,222
Securities	33,649	34,763
Held to maturity securities	15,960	11,916
Loans and receivables		
Loans	1	4
Other investments	17,500	–
Total	70,213	49,905

[17] Receivables and other assets/other liabilities

Due to the seasonally strong year-end business, high receivables from insurance companies as well as high liabilities towards commercial agents at December 31, 2006 were reported which were then balanced out in the first quarter of 2007. In the third quarter of 2007, a lower amount of receivables and liabilities were built up. This explains the lower figure from receivables from insurance companies as well as liabilities towards commercial agents.

[18] Long-term assets held for disposal and disposal groups

This balance sheet item contains assets associated with the disposal of foreign subsidiaries. It mainly contains cash. This item also includes shares in an investment fund intended for sale.

[19] Share capital

Subscribed capital

The subscribed capital consists of 108.811.175 (December 31, 2006: 108,781,403) no par value common shares. In the financial year 2007, 29,772 new shares were issued through the exercising of rights of conversion. In total, so far 170.489 new shares have been issued through convertible loan stock.

Purchase of own shares

MLP did not buy back any of its own shares in the period from January 1, 2007 to September 30, 2007. In the same period of the previous year 6,621,600 shares were acquired for the price of €111,881 thsd. This corresponds to 6.09 percent of the share capital existing at September 30, 2006.

Since the beginning of the share buy-back programme a total of 8,863,109 shares have been purchased with an overall value of €148,353 thsd. This corresponds to 8.16 percent of the share capital (date of the resolution). The acquired shares correspond to €8,863 thsd of the share capital (day of the resolution)

Through a resolution passed at the Annual General Meeting on May 31, 2007, MLP AG was granted further authorisation to purchase its own shares in accordance with article 71, section 1 item 8 of the German Stock Corporation Law. Up until November 29, 2008 a total of 10 percent of the share capital existing at the time of the passing of the resolution (May 31, 2007) can be bought back.

Paid dividend

In accordance with the resolution passed at the Annual General Meeting on May 31, 2007, the dividend for the financial year 2006 amounted to €0.40 per dividend-entitled individual share. For the financial year 2005 MLP AG distributed a regular dividend amounting to €0.30 and an extra dividend of €0.30.

Discontinued operations

The discontinued operations consist of MLP Private Finance plc., London, Great Britain, MLP Private Finance Correduria de Seguros S.A., Madrid, Spain, MLP Private Finance AG, Zürich, Switzerland, MLP Lebensversicherung AG, Heidelberg, and MLP Versicherung AG, Heidelberg. The business operations of the subsidiaries MLP Private Finance plc. and MLP Private Finance Correduria de Seguros S.A. were sold in the third quarter of 2007, and the insurance companies in 2005. In the financial year 2006 the operative business activities of the Swiss subsidiary ceased and the company was deconsolidated.

In line with IFRS 5, discontinued operations are to be disclosed separately from the continuing operations. The income statement of the continuing operations has thus been adjusted by the expenses and income of the discontinued operations, the net result generated by these is shown in a separate line. In accordance with IFRS 5.25 MLP has suspended the scheduled depreciation on long-term assets of the discontinued operations.

[20] Income statement for the discontinued operations

Income statement for the period from January 1 to September 30, 2007

All figures in €'000	3rd Quarter 2007	3rd Quarter 2006	9 months 2007	9 months 2006
Income from brokerage business	428	1,176	2,130	3,498
Other income	69	11	101	59
Total income	497	1,187	2,231	3,557
Other expenses	-1,801	-2,747	-7,269	-7,975
Earnings before interest and tax (EBIT)	-1,304	-1,560	-5,038	-4,417
Finance cost	31	-24	74	-62
Earnings before tax (EBT)	-1,272	-1,584	-4,963	-4,479
Income taxes	-	19	-	29
Operating result from discontinued operations	-1,272	-1,565	-4,963	-4,450
Earnings from the sale of operations	-7,289	575	-7,334	468
Income taxes	53	-182	-62	-861
Earnings from discontinued operations	-8,508	-1,173	-12,359	-4,843
Earnings per share in €				
From discontinued operations				
basic	-0.08	-0.02	-0.12	-0.05
diluted	-0.08	-0.02	-0.12	-0.05

The posted loss in 2007 in the item "Earnings from disposals" mainly results from the sale business operations of the subsidiaries in Spain and Great Britain as well as from an expected purchase price reduction from the sale of MLP Lebensversicherung AG. On the other hand, income from the release of non-utilised accruals and the reduction of liabilities which were recorded in connection with the sale of MLP Lebensversicherung AG in the financial year 2005 were taken into account.

Notes on the consolidated cash flow statement

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 cash and cash equivalents disclosed in the balance sheet have been reduced by €17 thsd (previous year: €15 thsd) which are intended for committed donations or are subject to other restraints.

Cash and cash equivalents are split across the following balance sheet items:

All figures in € '000	September 30, 2007	September 30, 2006
Cash and cash equivalents	83,823	150,640
Non-current assets held for sale	2,532	2,297
Other investments < 3 months	17,500	–
Liabilities to banks due on demand	–1,033	–4
Cash and cash equivalents	102,822	152,933

Non-current assets held for sale contain cash and cash equivalents amounting to €2,532 thsd. The previous year's figure of €2,297 thsd concerns MLP Private Finance AG, Zürich, Switzerland, MLP Private Finance plc., London, Great Britain, and MLP Private Finance Correduria de Seguros S.A., Madrid, Spain.

The sum of the disposal prices from the sale of the database business of Feri Fund Market Information Ltd. and of the assets of the subsidiaries in Great Britain and Spain is around €13,400 thsd. This was mainly attributable to the database business of Feri Fund Market Information Ltd. In conjunction with the disposal, mainly intangible assets were closed out. In addition, cash amounting to €1,584 thsd was also closed out within the framework of the sale of the database business of Feri Fund Market Information Ltd.

The receivables from financial institutions outside the brokerage business are not incorporated into the cash and cash equivalents as these are allocated to the regular business operations of the banking business unit (previously MLP Bank AG).

Notes on Group reporting by segment

The MLP Group is structured into the following business segments:

- Consulting and sales
- Banking
- Wealth management
- Internal services and administration

The object of the **consulting and sales** segment consists of consulting services for academics and other discerning clients, particularly with regards to insurance, investments, occupational old-age pension provision schemes and financing as well as the brokerage of contracts concerning these financial services.

With 2,579 consultants and a comprehensive scope of services, the Group currently caters to some 707,000 clients in the named segments.

The discontinued operations of the consulting and sales segment are made up of the subsidiaries MLP Private Finance plc., London, Great Britain, MLP Private Finance Correduria de Seguros S.A., Madrid, Spain, and MLP Private Finance AG, Zürich, Switzerland.

The consulting and sales segment was expanded in the third quarter by the addition of the associate company MLP Hyp GmbH.

The **banking** segment includes the administration of financial portfolios, the trustee credit business, loan and credit card business, consulting regarding investment in investment funds as well as the conception and organisational implementation of new financial products for the MLP Group.

Due to the acquisition of the Feri Group in 2006, the segment report was expanded to include **wealth management**. The business operations of this segment cover wealth management and investment consulting. The sale of FI Datenservice GmbH in the current quarter represented the disposal of a subsidiary company belonging to the segment.

The main internal services and activities are embraced within the segment of **internal services and administration**.

As the Group chiefly confines its business activities to Germany (proportion of foreign revenue in the period under review and in the previous year is less than 3%), a geographic (secondary) breakdown of the segments is not required.

Contingent liabilities and other obligations

The concluded purchase contract between MLP AG and Clerical Medical International Holdings B.V., Maastricht, Netherlands, concerning the sale of MLP Lebensversicherung AG contains a purchase price adjustment clause for the years 2005 to 2007, which provides for an increase or a decrease in the purchase price up to a maximum of €15 million. The current status leads MLP to anticipate a reduction in the purchase price of €3.2 million (December 31, 2006: €1.2 million). A corresponding liability has been taken into account.

MLP anticipates a further purchase price component from the sale of MLP Private Finance plc., London, Great Britain. At the reporting reference date the level of additional remuneration had not been fixed.

Beyond this, there were no other significant changes in the contingent liabilities and other obligations during the period under review.

Related party disclosures

Apart from the change in the Executive Board of MLP AG there were no significant changes compared to December 31, 2006.

Events subsequent to the reporting reference date

On October 11, 2007 the Executive Board of MLP AG decided to implement the authorisation granted to it at the Annual General Meeting on May 31, 2007 relating to the repurchase of its own shares. From November 8, 2007 a maximum of a further 1.8 percent of the share capital, equating to up to 2,015,031 shares, will be bought back.

On October 29, 2007 MLP AG exercised, as planned, its existing option rights to acquire the remaining 43.4 percent stake in Feri Finance AG. The in rem execution of the transfers of the holdings will take place in the first half year of 2011. The exercise price, which will become due in the second quarter of 2011, comprises both a fixed price of around €47.7 million as well as a performance-related component that is largely dependent on new business development in the wealth management division.

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

Wiesloch, November 6, 2007

MLP AG

The Executive Board

Dr. Uwe Schroeder-Wildberg

Gerhard Frieg

Muhyddin Suleiman

Executive Bodies at MLP AG

Executive Board

Dr. Uwe Schroeder-Wildberg (Chief Executive Officer)
 Dr. Wulf Böttger (until September 4, 2007)
 Gerhard Frieg
 Muhyddin Suleiman (since September 4, 2007)
 Nils Frowein (until Juni 30, 2007)

Supervisory Board

Manfred Lautenschläger (Chairman)
 Gerd Schmitz-Morkramer (Vice Chairman)
 Dr. Peter Lütke-Bornefeld
 Johannes Maret
 Maria Bähr (Employee Representative)
 Norbert Kohler (Employee Representative)

Financial calendar

November 14-15, 2007

WestLB Deutschland Conference 2007
 Frankfurt, Germany

December 5, 2007

Dresdner Kleinwort's Speed Investing
 London, UK

January 14-16, 2008

Dresdner Kleinwort German
 Investment Seminar
 New York, USA

January 21-23, 2008

Cheuvreux 7th German
 Corporate Conference
 Frankfurt, Germany

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