Interim Group Report for the first quarter 2010

MLP Group

[Table 01]

MLP key figures

All figures in € million	1st quarter 2010	1st quarter 2009[1]	Change
Continuing operations			
Total revenue	121.2	125.5	– 3.4 %
Revenue	115.3	120.8	– 4.6 %
Other revenue	5.9	4.7	25.5 %
Earnings before interest and tax (EBIT)	4.0	3.2	26.2 %
EBIT margin (%)	3.3 %	2.5 %	–
Earnings from continuing operations	2.0	0.1	> 100.0 %
Earnings per share (diluted) in €	0.02	0.00	> 100.0 %
MLP Group			
Net profit (total)	1.7	– 1.4	> 100.0 %
Earnings per share (diluted) in €	0.02	– 0.01	> 100.0 %
Cash flow from operating activities	43.3	55.3	– 21.7 %
Capital expenditure	1.0	1.5	– 33.3 %
Shareholders' equity	421.9	418.5[2]	0.8 %
Equity ratio	29.1 %	28.4 %[2]	–
Balance sheet total	1,452.0	1,475.5[2]	– 1.6 %
Clients[3]	764,500	785,500[2]	– 2.7 %
Consultants[3]	2,384	2,383[2]	–
Branch offices[3]	212	238[2]	– 10.9 %
Employees	1,706	2,079	– 17.9 %
Arranged new business[3]			
Old-age provisions (premium sum in € billion)	1.0	0.9	11.1 %
Health insurance (annual premium)	15.9	13.2	20.5 %
Loans and mortgages	262.0	236.0	11.0 %
Assets under management (in € billion)	17.7[4]	17.0[2,4]	4.1 %

[1] Adjustment of previous year's figures, see note 3
[2] As at December 31, 2009
[3] Continuing operations
[4] Based on the method of calculation employed by the German Association of Investment and Asset Management (BVI)

Interim Group Report for the first quarter 2010

THE FIRST QUARTER 2010 AT A GLANCE

- EBIT increases by 26 % to € 4.0 million
- Slight fall in total revenue to € 121.2 million
- Positive signs in private and corporate client business
- Assets under management climb to € 17.7 billion
- Further pick-up in business expected

Table of contents

Profile

MLP – THE LEADING INDEPENDENT CONSULTING FIRM

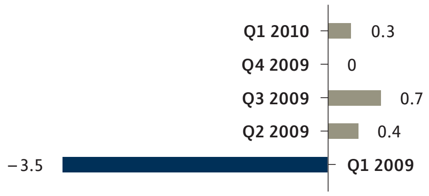
MLP is Germany's leading independent consulting firm. Supported by comprehensive research, the Group provides a holistic consulting approach that covers all economic and financial questions for private and corporate clients, as well as institutional investors. The key aspect of the consulting approach is the independence of insurance companies, banks and investment firms. The MLP Group manages total assets of around € 18 billion and supports more than 760,000 private and 4,000 corporate clients. MLP 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, wealth management, health insurance, non-life insurance, financing and banking. Those with assets above € 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 provision and asset and risk management.

Interim Management report for the first quarter 2010

[Figure 01]

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



Source: Federal Statistic Office, German Institute for Economic Research (DIW)

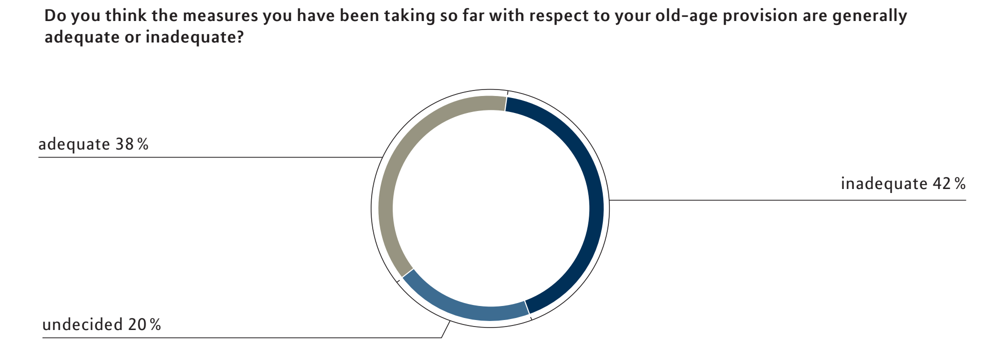
MACROECONOMIC ENVIRONMENT

At the end of 2009, the German economy – in which MLP generates nearly 100 % of its total revenue – was still characterised by the economic and financial crisis. However, since the start of 2010 signs of a recovery have been evident. Improved industrial order books and stimulus from foreign trade during the first quarter led companies to adopt a more positive outlook. The German Institute for Economic Research (DIW) estimates that the gross domestic product (GDP) in the first quarter grew by 0.3 % compared to the preceding quarter. However, private consumption in the first three months of the year provided almost no stimulus to the economic recovery. The labour market remained resilient during the first quarter – an aspect that experts attribute primarily to the implementation of short time working practices. In March, unemployment fell due to the tentative economic pick up at the start of the year – even after taking the usual seasonal fluctuations into account. The unemployment rate in March 2010 fell to 8.5 %.

In the first quarter, our clients remained concerned about the threat of rising unemployment or falling incomes. These perceived expectations of the future represent a central macroeconomic indicator for our business development. Accordingly, our clients remained hesitant with respect to long-term provision and investment commitments. Revenue in our important old-age provision and health insurance business areas fell slightly.

[Figure 02]

Assessment of own efforts



Source: Allensbach Institute for Public Opinion Research/Postbank: Old-age provision in Germany 2009/2010

SITUATION WITHIN THE INDUSTRY AND THE COMPETITIVE ENVIRONMENT

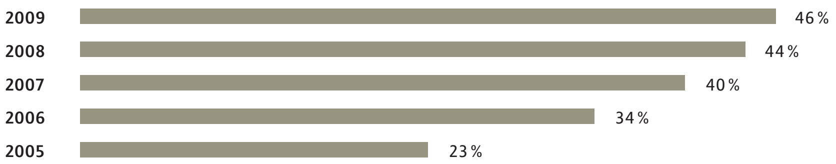
Old-age provision

In the first quarter of 2010 the market for old-age provision was still not able to benefit from the brightening economic landscape – an aspect exemplified by the continued hesitancy on the part of clients with respect to private old-age provision. A study carried out by the Allensbach Institute for Public Opinion Research and commissioned by the Postbank shows that despite the existence of large provision gaps [Figure 02], there has been a fall in the general level of willingness in Germany towards investing in private old-age provision. According to this study, more than 17 % of the entire workforce have reduced or terminated their private old-age provision as a consequence of the economic and financial crisis. One in three of the working population state that they would not receive any income from private old-age provision policies in their old age. MLP was unable to escape this trend. Revenue in the old-age provision area fell by 6.4 % in the period under review.

[Figure 03]

Increasing interest in private supplementary health insurance

Percentage of people who have considered taking out further supplementary health insurance

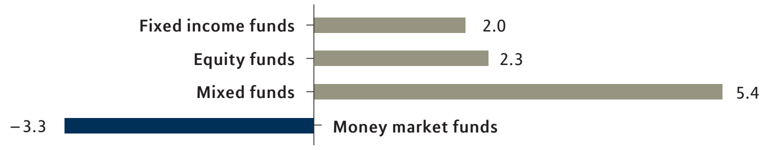


Base: Federal Republic of Germany, people insured in the state healthcare system
Source: MLP Health Report 2009

Health provision

In contrast to the market for old-age provision, the market for health provision in the first quarter developed more satisfactorily. The continuing political discussion about the structure and financeability of the healthcare system has heightened awareness among broad sectors of the population that the state health insurance funds are no longer able to provide cover for an adequate level of treatments and services. The levying of additional premiums by many of the state insurance funds, coupled with their shrinking catalogue of offered services and treatments, are leading consumers to increasingly secure their health provision through private insurance. The level of interest in switching to private health insurance or in taking out supplementary health insurance policies therefore remains high. MLP was able to benefit from this development. In the private health insurance business, annual premiums rose from € 13.2 million to € 15.9 million. However, this positive development in new business was not yet fully reflected in the revenue from the health insurance business, which fell slightly from € 13.7 million to € 12.9 million.

[Figure 04]
Inflows and outflows in various types of mutual investment funds in Germany in Q1 2010 (in € billion)



Source: German Federal Association of Investment and Asset (BVI)

Wealth management

Following the significant impact of the economic and financial crisis on the wealth management market, it is now showing signs of a return to more dynamic development. According to the Federal Association of Investment and Asset Management (BVI), the investment industry took in € 31.4 billion of new money during the first quarter of the year (first quarter 2009: € 4.2 billion). Mutual funds accounted for € 10.6 billion of this figure. At March 31, 2010, total fund assets amounted to € 681.1 billion, thus taking the volume of mutual funds back above the corresponding figure before the economic and financial crisis.

During the period under review, mixed and open property mutual funds recorded inflows of € 5.4 billion and € 3.2 billion respectively. Equity funds took in € 2.3 billion in the first three months of this year, and fixed income funds € 2.0 billion. Only money market funds experienced a fall, recording outflows of € 3.3 billion.

MLP too was able to further increase its assets under management – which amounted to € 17.7 billion at the end of the first quarter (December 31, 2009: € 17.0 billion).

Competition

Within the highly fragmented German financial services market, the economic and financial crisis has led to further strengthening of the consolidation process that was initially triggered by the tightening of the statutory framework conditions through the introduction of various laws and regulations (EU Insurance Mediation Directive, Markets in Financial Instruments Directive (MiFID) and the reform of the German Insurance Contract Law). In addition, discussions took place during the period under review between politicians and consumer protectionists concerning further measures for improving the quality of financial consulting in Germany. In this respect, the Federal Ministry for Consumer Protection for example, is seeking to secure binding minimum standards for all financial brokers as well as a demanding professional qualification. Furthermore, the Federal Ministry of Finance has announced a planned legislative initiative to improve consumer protection. One of the central aspects of this intended legislation will be the application of the German Securities Trading Act (WpHG) to consulting and brokerage activities concerning closed-end funds. It is to be expected that there will be further tightening of the regulations, which will also accelerate the pace of consolidation within the industry.

Company situation

[Figure 05]
EBIT from continuing operations (in € million)

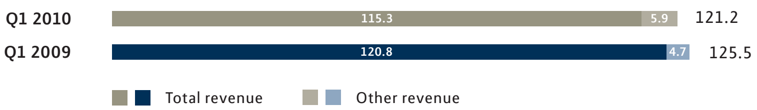
RESULTS OF OPERATIONS

Significant rise in earnings

MLP has begun the financial year 2010 with a significant rise in earnings – despite having to operate in a market environment still beset by the effects of the economic and financial crisis. In the first quarter, earnings before interest and tax (EBIT) rose by 26.2 % to € 4.0 million (€ 3.2 million).

Total revenue – significantly affected by lower interest income – fell slightly to € 121.2 million (€ 125.5 million). Although the market environment remains generally tense, we are nevertheless seeing positive signs in our private client and corporate client business areas and have laid a good foundation in the first quarter for the coming months. All the early indicators for future revenue development moved in a positive direction in the period from January to March. Accordingly, MLP welcomed 8,000 new clients, 1,400 more than in the same period last year (6,600). Assets under Management, which form the foundation for future revenue in wealth management, climbed from € 17.0 billion (December 31, 2009) to € 17.7 billion. New business in old-age provision also rose compared to the same period last year, increasing from € 0.9 billion to € 1.0 billion. Occupational pension scheme business accounted for 15 % of this new business and thus contributed to a higher degree than ever before. In private health insurance, annual premiums rose to € 15.9 million (€ 13.2 million).

[Figure 06]
Total revenue in continuing operations (in € million)



Rising revenue in wealth management and non-life insurance

The positive development in new business is not yet fully reflected in the revenue from commissions and fees. Here, revenue in old-age provision amounted to € 58.9 million and thus remained around 6.4 % below the previous year (€ 62.9 million). In the private health insurance business, revenue fell to € 12.9 million (€ 13.7 million). However, MLP achieved growth in the wealth management business, which rose by 6.4 % to € 18.3 million (€ 17.2 million). Continued high demand for greater risk provision helped increase revenue from non-life insurance by 7.9 % to € 16.4 million (€ 15.2 million). Combining all the consulting areas together, revenue from commissions and fees totalled € 109.1 million – almost equalling the previous year's figure of € 111.6 million. However, interest income was clearly regressive, falling by 32.6 % to € 6.2 million (€ 9.2 million) due to the prevailing low interest rates. Total revenue thus amounted to € 121.2 million (€ 125.5 million).

Development of expenses

Commission expenses fell from € 41.5 million to € 40.3 million. This figure contains the performance-related commission payments to our sales force.

Due to the generally lower level of interest rates compared to the first quarter of 2009, interest expenses fell from € 4.6 million to € 2.5 million. This led to an interest result of € 3.7 million (€ 4.6 million).

Within the framework of the cost reduction programme that was initiated in the first quarter of 2009, MLP succeeded in lowering its fixed costs (personnel expenses, depreciation and amortisation, other operating expenses) by a further € 1.8 million. This fall was attributable, in particular, to reductions in personnel expenses as well as in depreciation and amortisation. Personnel expenses fell by 4.5 % to € 27.6 million, due primarily to the reduction in the number of employees by 116 people (excluding marginal part-time employees). Depreciation and amortisation also reduced, decreasing from € 4.6 million to € 4.1 million. Other operating expenses amounted to € 42.7 million and thus remained at exactly the same level as in the first quarter of 2009.

[Table 02]

Earnings development of continuing operations

All figures in € million	1st quarter 2010	1st quarter 2009	Change
Total revenue	121.2	125.5	–3.4 %
Earnings before interest and tax (EBIT)	4.0	3.2	26.2 %
EBIT margin	3.3 %	2.5 %	–
Finance cost	–0.5	–1.5	–66.7 %
EBT	3.5	1.7	> 100.0 %
EBT margin	2.9 %	1.4 %	–
Income tax	–1.6	–1.6	–
Net profit	2.0	0.1	> 100.0 %
Net margin	1.7 %	0.1 %	–

EBIT rises by 26 %

EBIT was burdened by an exceptional expense amounting to € 2.0 million that was incurred due to premature hedging costs within the framework of the participation programme for MLP consultants and employees. Nevertheless, this key figure still rose by 26.2 % to € 4.0 million (€ 3.2 million). The annual dividend distribution to the minority shareholders of the subsidiary Feri Finance AG reduced the financial result in the first quarter, as planned, by € 0.7 million. This resulted in net profit from continuing operations of € 2.0 million (€ 0.1 million). The net profit of the MLP Group rose significantly to € 1.7 million (€ –1.4 million).

Comparison between the actual and the forecast business development

At the beginning of the financial year 2010 we provided not only a quantitative forecast for the targeted EBIT margin in 2012 (15 %) but also a qualitative forecast for revenue development in our core areas of old-age provision and health insurance as well as wealth management for the current financial year (see page 90 of the Annual Report 2009). In the areas of old-age provision and health insurance we expect to achieve stable revenue development during the current financial year, despite framework conditions remaining difficult. This development was confirmed in the first quarter – in both areas revenue are only slightly regressive, falling by 6.4 % and 5.8 % respectively. However, in wealth management we expect to achieve a moderate revenue increase in the financial year 2010. This development was already evident during the period under review, in which revenue from wealth management was 6.4 % higher than the comparative period.

The development of expenses in the first quarter conformed to our expectations. Our target for the full year is to reduce fixed costs (personnel expenses, depreciation and amortisation as well as other operating costs) by € 10 million. In the period under review these expenses decreased by a total of € 1.8 million (see section on "Development of expenses").

MLP gains 8,000 new clients in the first quarter

Pleasing progress was made through the acquisition of 8,000 new clients in the first quarter, although the total number of private clients fell to 764,500 (December 31, 2009: 785,500). This was due to data matching with product partners and new processes, through which MLP is further improving the interfaces to product partners and thereby further enhancing the quality of customer data. The number of consultants remained constant at 2,384 (December 31, 2009: 2,383).

[Table 03]

Assets as at March 31, 2010

All figures in € million	March 31, 2010	Dec 31, 2009	Change
Intangible assets	154.3	156.1	–1.2 %
Property, plant and equipment	77.6	78.8	–1.5 %
Investment property	11.4	11.4	–
Shares accounted for using the equity method	2.1	2.0	–5.0 %
Deferred tax assets	2.9	3.0	–3.3 %
Receivables from clients in the banking business	315.8	313.5	0.7 %
Receivables from banks in the banking business	471.7	498.2	–5.3 %
Financial investments	239.8	192.4	24.6 %
Tax refund claims	31.3	33.1	–5.4 %
Other receivables and other assets	99.0	132.1	–25.1 %
Cash and cash equivalents	46.2	55.0	–16.0 %
Total	**1,452.0**	**1,475.5**	**–1.6 %**

NET ASSETS

Financial investments rise by 25 %

The total assets of the MLP Group decreased by 1.6 % compared to December 31, 2009, falling to € 1,452.0 million. On the asset side of the balance sheet, four items primarily contributed to this situation. Receivables from banks in the banking business fell by € 26.5 million to € 471.7 million. This change was mainly attributable to the profit transfer of our subsidiary MLP Finanzdienstleistungen AG to MLP AG for the financial year 2009 which amounted to € 41.8 million.

Financial investments and cash and cash equivalents increased significantly during the period under review and together stood at € 286.0 million (€ 247.4 million) on March 31, 2010. The increase was primarily due to the profit transfer from our subsidiary MLP Finanzdienstleistungen AG for the financial year 2009. The changes to the individual items result from the reallocation of liquid funds to longer-term investments.

Other receivables and other assets fell from € 132.1 million to € 99.0 million as a result of usual seasonal fluctuations. This item consists mainly of receivables from insurance companies for whom we have brokered insurance contracts. Due to the usual seasonal business development, these rise considerably at the year end and then fall significantly during the course of the following financial year.

[Table 04]

Liabilities and shareholders' equity as at March 31, 2010

All figures in € million	March 31, 2010	Dec 31, 2009	Change
Shareholders' equity	421.9	418.5	0.8 %
Provisions	53.4	52.4	1.9 %
Deferred tax liabilities	11.5	10.7	7.5 %
Liabilities due to clients in the banking business	772.4	750.3	2.9 %
Liabilities due to banks in the banking business	23.5	20.8	13.0 %
Tax liabilities	1.3	9.0	–85.6 %
Other liabilities	168.0	211.8	–20.7 %
Liabilities in connection with non-current assets held for sale and disposal groups	0.0	2.0	> 100.0 %
Total	**1,452.0**	**1,475.5**	**–1.6 %**

Equity capital ratio rises to 29 %

Thanks primarily to the result achieved in the first quarter of 2010 as well as to a change in retained earnings due to the marked to market of securities, we were able to increase the equity capital of the Group from € 418.5 million to € 421.9 million. This, in turn, led to a further improvement in the equity ratio, which rose from 28.4 % to 29.1 %. The equity capital position of the Group therefore remains very good.

The development of our deposit business is shown in the liabilities due to clients and banks in the banking business. Client deposits increased by € 22.1 million to € 772.4 million. These mainly consist of deposits in the areas of accounts, credit cards and instant access savings accounts.

Through tax payments we reduced our tax liabilities from € 9.0 million to € 1.3 million.

Other liabilities fell significantly by 20.7 % to € 168.0 million in accordance with usual seasonal fluctuations. These mainly contain commission claims by our consultants which rise sharply at the reference date on December 31 due to the usual strong year-end business but which then fall again in the following quarters.

[Table 05]

Simplified statement of cash flows in continuing operations

All figures in € million	1st quarter 2010	1st quarter 2009
Cash and cash equivalents at beginning of period	123.6	38.0
Cash flows from operating activities	46.5	54.8
Cash flows from investing activities	–48.7	38.8
Cash flows from financing activities	–2.2	–
Changes in cash and cash equivalents	**–4.4**	**93.6**
Inflows/outflows due to divestments	–3.2	–0.4
Cash and cash equivalents at end of period	116.0	131.2

FINANCIAL POSITION

Cash flow from operating activities in continuing operations amounted to € 46.5 million (€ 54.8 million). Significant cash flows in this respect result from our deposit business with clients and from the investment of these funds – mainly with German financial institutions.

The change in the receivables from, and liabilities due to clients in the banking business results in a positive change of € 18.9 million, which is primarily due to an increase in deposit business with our clients of € 22.1 million. Other significant cash flows arise from the positive change in receivables from and liabilities due to banks in the banking business, amounting to € 31.6 million.

Cash flow from investment activity in the continuing operations changed from € 38.8 million to € –48.7 million. Here, cash was invested in term deposits during the period under review. In the comparative period of the previous year, matured term deposits were not reinvested.

Our cash flow from financing activity in the continuing operations contains the outpayment from the repayment of loans.

At the end of the first quarter, the Group's total liquid funds stood at € 205.1 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.

[Table 06]

Number of employees

	March 31, 2010	March 31, 2009
Financial services	1,435	1,803
Feri	257	265
Holding	14	11
Total	**1,706**	**2,079**

Capital measures

No capital measures were undertaken during the period under review.

Investments

In the first three months of the current financial year we invested a total of € 1.0 million (€ 1.5 million) throughout the Group. Over 81 % of this figure was allocated to the financial services segment – mainly for fittings and office equipment (including hardware) and software. In this segment we continue to invest in the improvement of IT support for client consulting activities, as well as in all relevant client care processes. All investments were financed from current cash flows.

PERSONNEL

At the end of the first quarter of 2010 the MLP Group had a total of 1,706 employees. Without taking the number of marginal part-time employees into account, the number of employees fell by around 116 people. This was partly due to the outsourcing of our IT area. Within the framework of this measure, 55 employees in this area were offered the opportunity to become employees of our IT partner Hewlett Packard (HP). The development of personnel expenses is contained in the section “Development of expenses” (page 10).

Furthermore, MLP is proud to have once again received the “TOP employer” award – for the fourth consecutive time. Through this award, the Corporate Research Foundation Institute (CRF), one of the leading research companies in the area of employer certification and employer branding, confirms our outstanding corporate and employer culture with an excellent score for image, work-life balance and employee remuneration.

COMMUNICATION AND ADVERTISING ACTIVITIES

In the first quarter of 2010, MLP registered its Financial Planner vocational training course at the Corporate University for accreditation by the German Financial Planning Standards Board. Through this step MLP will enable its consultants to prepare themselves for the Certified Financial Planner (CFP) certification. The CFP is the highest internationally recognised training standard for financial consultants. The first training class starts in July.

With respect to advertising activities, MLP has decided to extend its involvement as title sponsor for the Mannheim Marathon for a further two years – the event will therefore continue to be staged as the "MLP Marathon" until at least 2012. MLP has supported this event as title sponsor since its inception in 2004. The 7th MLP Marathon Mannheim Rhine-Neckar will take place during the afternoon of May 15, 2010. Further information concerning the event is available at www.mlp-marathonmannheim.de.

LEGAL CORPORATE STRUCTURE AND EXECUTIVE BODIES

During the period under review there was a change in the composition of the Executive Board. Gerhard Frieg, responsible for product management and purchasing, resigned from the Executive Board at his own request on March 31, 2010 in order to pursue new professional challenges elsewhere. The Supervisory Board appointed Manfred Bauer as his successor. He joined the Executive Board of MLP on May 1, 2010 and assumes responsibility for product management and purchasing.

Within the framework of our focus on growth markets we are concentrating our private client business at our subsidiary MLP Finanzdienstleistungen AG on our core market Germany. For this reason we reached agreement with NBG B. V., Valkenswaard, Netherlands, in January 2010 on the sale of our branch in the Netherlands. This market accounted for less than 1 % of our total revenue.

[Figure 07]
Total revenue and EBIT for the financial services segment (in € million)

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 193 ff of the Annual Report 2009.

Financial services segment

Total revenue in the financial services segment during the period under review amounted to € 112.0 million, corresponding to a fall of 4.3 %. The largely variable commission expenses also fell, decreasing by 3.1 % to € 40.0 million. Due to the generally low level of interest rates compared to the comparative period in the previous year, interest expenses reduced from € 4.6 million to € 2.5 million. Compared to the first quarter of 2009, the number of employees (excluding marginal part-time employees) fell from 1,803 to 1,435. This led to a decrease in personnel expenses from € 21.8 million to € 20.5 million. Depreciation and amortisation also reduced significantly, falling by 9.7 % to € 2.8 million. However, other operating expenses in this segment rose by € 3.7 million to € 41.1 million. This was mainly attributable to higher expenditure on electronic data processing as well as to an exceptional expense item concerning the corporate incentive programme for employees and consultants.

Earnings before interest and tax (EBIT) in the period under review amounted to € 5.3 million (€ 8.8 million). The financial result improved only slightly from € –0.4 million to € –0.3 million. This led to earnings before tax (EBT) in the financial services segment of € 5.0 million (€ 8.4 million).

[Figure 08]

Total revenue and EBIT Feri segment (in € million)

Feri segment

Total revenue development in the Feri segment during the period under review remained stable and amounted to € 8.8 million (€ 8.8 million). Total expenses fell from € 9.8 million to € 9.0 million. This reflects the success of our cost reduction programme that was initiated in the first quarter 2009. In particular, we were able to significantly reduce fixed costs (personnel expenses, depreciation and amortisation, other operating expenses). This led to a considerable improvement in earnings before interest and tax (EBIT) from € –1.0 million to € –0.2 million. Earnings before tax in the period under review also amounted to € –0.2 million (€ –1.0 million).

Holding segment

Total revenue in the Holding segment rose only slightly from € 3.2 million to € 3.3 million. Within the framework of our cost reduction programme we were, in particular, able to significantly decrease the other operating expenses in this segment, which fell by € 3.9 million to € 2.2 million. This also led to an improvement in earnings before interest and tax (EBIT) which rose from € –4.6 million to € –1.0 million. Due to the lower than the previous year dividend payment by our subsidiary Feri Finance AG amounting to € 0.9 million (€ 3.1 million), finance cost decreased from € 2.0 million to € 0.7 million. Earnings before tax (EBT) thus amounted to € –0.3 million (€ –2.6 million).

RISK REPORT

There were no significant changes in the risk situation of the Group during the period under review. Despite the continuing economic and financial crisis there were no exceptional burdens within the framework of our counterparty default risks, market price risks, liquidity risks, operational or other risks. The Group continues to have adequate liquid funds. At the reporting date of March 31, 2010, our core capital ratio of 23.1 % far exceeded the required 8 % prescribed by the supervisory body. At the present time no existence-threatening risks to the MLP Group have been identified.

A detailed presentation of the corporate risks as well as a detailed description of our risk management are contained in our risk and disclosure report on pages 67 to 83 of the Annual report 2009.

RELATED PARTY DISCLOSURES

Related party disclosures are contained in the notes of the annual report 2009, page 210 ff.

OUTLOOK FOR THE CURRENT FINANCIAL YEAR/FORECAST

Future macroeconomic situation

Forecasts by the economic research institutes predict that the global economy will recover from the economic and financial crisis in 2010 and 2011. Since the beginning of this year initial signs of improvement have been detected in the German economy – MLP's core market. The federal government confirmed this view and stated in its published early-year projection that it expects to see a recovery in the German economy – forecasting a rise of 1.4 % in the gross domestic product for the current year. The federal government is anticipating further pick up in growth for 2011 coupled with a 1.6 % increase in the gross domestic product.

[Figure 09]

Expected economic growth in Germany (all figures in %)

Source: Early-year projection 2010, Federal Government

Following the surprisingly positive labour market figures at the end of the first quarter, experts now no longer expect any further rise in unemployment in Germany for the rest of the year. On average, the number of unemployed people is forecast to remain around the 3.4 million level.

The worsening of the financial crisis in Greece represents an additional risk factor for macroeconomic development. It remains to be seen whether the planned aid proves to be effective and whether the crisis spreads to other countries such as Portugal, Ireland or Spain.

Overall, the macroeconomic outlook after the end of the first quarter 2010 has not altered significantly compared to the end of the financial year 2009. As before, we currently do not expect the economic environment to provide any notable stimulus for our business development.

Future situation within the industry and competition

Compared to the start of the year, the framework conditions in our most important markets – old-age provision, health insurance and wealth management – have not changed significantly during the course of the first quarter 2010 (see also Annual Report 2009, pages 84 ff.).

In view of the demographic development in Germany we continue to anticipate a great need for private and occupational pension provision. Sooner or later this should translate into rising demand for old-age provision products.

The need for private full health insurance cover or supplementary health insurance will also rise in the future. The financing problems of the German healthcare system necessitate further reforms which will lead to rising premiums and a shrinking catalogue of treatment and services covered by the state-run health insurance funds. Both these aspects increase the willingness to switch to private health insurance or force the members of the state-run schemes to take out supplementary insurance.

We also see potential in the wealth management market. We plan to increase the level of assets under management – both in our private client business as well as for institutional investors.

The competition within our industry will continue to increase due to the foreseeable tighter regulation in the coming years and should further accelerate the consolidation process (see also section on “Competition”).

[Table 07]

Anticipated development of revenue from 2010 to 2012

	2010	2011/2012
Revenue: old-age provision	→	↗
Revenue: wealth management	↗	↗
Revenue: health provision	→	↗

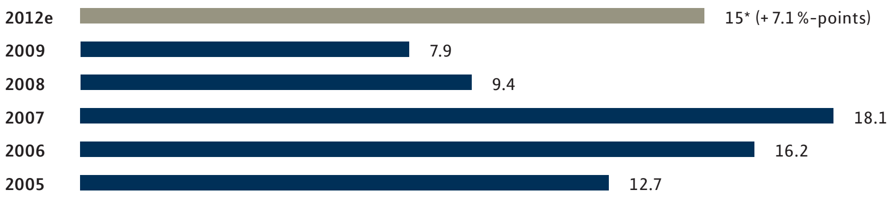
Anticipated business development

In view of the previously described macroeconomic background and the development in our most important markets we see no reason to amend the guidance we published at the end of March 2010 in our Annual Report 2009.

We continue to expect the financial year 2010, particularly the first half year, to be characterised by similarly difficult framework conditions to those that we encountered in 2009. Although there are initial signs of a tentative pick-up in the private client and institutional client business areas, the market environment still remains tense. We do not expect the economic environment to provide any appreciable stimulus for our business development. Due to this difficult market environment we are only providing a qualitative forecast for our revenue up to 2012. In our core areas of old-age provision and health insurance we expect stable revenue development this year, despite the continued difficult framework conditions. In 2011 and 2012 – in an improving macroeconomic environment – we intend to return to a growth path in those areas. In wealth management however, we expect to achieve a moderate increase in revenue in the current year, which will then continue during the following two years.

[Figure 10]

Development of the EBIT margin from 2005 to 2012 (all figures in %)



* before acquisitions and one-offs

In addition to ensuring full exploitation of revenue potential, MLP will also diligently continue to exercise strict cost discipline during the current financial year. We are maintaining our cost reduction target for 2010 and intend to lower the fixed costs (personnel expenses, depreciation and amortisation, other operating costs; without one-off effects and before acquisition-related cost increases) by € 10 million.

A further objective that MLP has set itself is – when the economic and financial crisis subsides – to return to its accustomed strong level of profitability and to almost double EBIT margin by the end of 2012 to 15 % compared to 2009.

Opportunities

Significant changes to the opportunities resulting from the development of 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 2009 on page 93 f.

EVENTS SUBSEQUENT TO THE REPORTING DATE

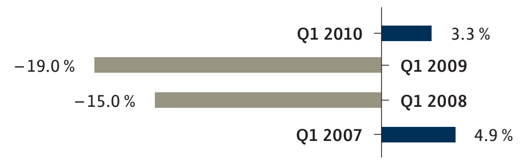
On May 1, 2010 Manfred Bauer joined the Executive Board of MLP and assumed responsibility for the product management and purchasing (see also section on “Legal corporate structure and executive bodies”).

Otherwise there were no notable events after the balance sheet reference date that affected the MLP Group’s net assets, financial position or profit situation.

Investor Relations

[Figure 11]

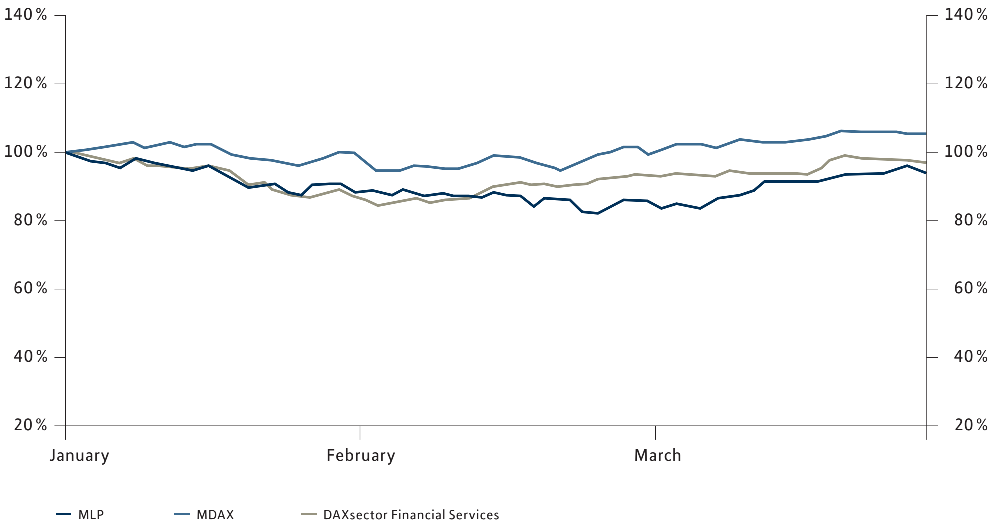
Development of the DAX in the first quarter



Source: Deutsche Börse

[Figure 12]

MLP share, MDAX and DAXsector Financial Services in the first quarter 2010



Source: Deutsche Börse

Development in the stock market

During the course of last year stock markets increasingly recovered from the economic and financial crisis and were then able to continue this trend during the first quarter of the current year. Although weakened at the beginning of the year by sluggish US economic data and fears of state bankruptcy in Greece, the new stock market year did however produce positive developments. The Chinese economy grew more strongly in the first quarter than at any time since 2007 and Germany announced positive labour market data.

In the first quarter the German stock exchange held its first large IPOs for over two years – four stock exchange newcomers were admitted to the Prime Standard, the segment with the highest transparency standards on the Frankfurt stock exchange.

On the international stock markets, the American Dow Jones Industrial Average index rose from 10,428 points at the end of 2009 to 10,856 points at the end of the period under review – a rise of 4.1 %. The German DAX index also advanced in the first quarter, rising by 3.3 % to 6,153 points. However, in the opening quarters of the two previous years the DAX suffered heavy losses, falling by 15 % in 2009 and by 19 % in 2008.

[Table 08]
Key figures of the MLP share

	1st quarter 2010	2009
Share price at the beginning of the year	8.27 €	9.80 €
Share price high	8.27 €	10.98 €
Share price low	6.69 €	5.25 €
Share price at the end of the quarter/year	7.80 €	8.06 €
Dividend for the previous year	0.25 €*	0.28 €
Market capitalisation (End of reporting period)	841,446,356.40 €	889,494,568.00 €

*Subject to the approval of the Annual General Meeting on May 20, 2010

The MDAX, on which the MLP share is listed, rose by almost 8.5 % in the first three months of the year, rallying from 7,507 points at the start of the year to 8,143 points. However the industry index for the German finance sector DAXsector Financial Services declined slightly, falling by –1.3 % to 677 points.

The MLP share

During the first quarter of 2010 the MLP share price fell by 3.2 %, thus broadly following the development of the industry index DAXsector Financial Services. The MLP share price rose from € 8.06 at the end of 2009 to € 8.27 at the start of 2010, a level which also marked the highest price for the share in the first quarter 2010. The lowest price of the share in this period was € 6.69. By the end of the quarter the MLP share had recovered some ground and closed at € 7.80.

Further information concerning the MLP share is available on the Internet from our Investor Relations page at www.mlp-ag.com under the heading “MLP share“.

Dividend 2010

In 2010 we once again intend to enable our shareholders to appropriately share in our corporate success. Accordingly, the Executive and Supervisory Boards are proposing a dividend of € 0.25 per share (previous year: € 0.28). Subject to approval by the shareholders at the Annual General Meeting (AGM) on May 20, 2010, MLP will thus distribute a total of € 27.0 million to its owners. The distribution sum amounts to almost 100 % of the net profit from continuing operations. This year our shareholders can once again receive the dividend tax-free.

MLP Annual General Meeting

The MLP Annual General Meeting will take place at 10 a.m. on May 20, 2010 in the Congress Center Rosengarten in Mannheim, Germany. Information concerning many aspects of the MLP Annual General Meeting is available from our Investor Relations page on the Internet at www.mlp-ag.com.

Income statement and statement of comprehensive income

[Table 09]

Income statement for the period from January 1 to March 31, 2010

All figures in €'000	Notes	1st quarter 2010	1st quarter 2009*
Revenue	(5)	115,289	120,799
Other revenue		5,903	4,700
Total revenue		**121,191**	**125,499**
Commission expenses		−40,324	−41,516
Interest expenses		−2,470	−4,592
Personnel expenses	(6)	−27,618	−28,947
Depreciation and amortisation		−4,112	−4,559
Other operating expenses	(7)	−42,732	−42,714
Earnings from shares accounted for using the equity method		103	29
Earnings before interest and tax (EBIT)		**4,039**	**3,200**
Other interest and similar income		1,663	2,285
Other interest and similar expenses		−2,163	−3,743
Finance cost	(8)	**−499**	**−1,458**
Earnings before tax (EBT)		**3,540**	**1,742**
Income taxes		−1,550	−1,646
Earnings from continuing operations after tax		**1,990**	**96**
Earnings from discontinued operations after tax		**−287**	**−1,449**
Net profit		**1,703**	**−1,353**
Of which attributable to			
owners of the parent company		1,703	−1,353
Earnings per share in €**			
From continuing operations			
basic		0.02	0.00
diluted***		0.02	0.00
From continuing and discontinued operations			
basic		0.02	−0.01
diluted***		0.02	−0.01

* Previous year's value adjusted. The adjustments are disclosed under note 3

** Basis of calculation: Average number of shares at March 31,2010: 107,877,738, Potential shares (convertible debentures): 943,145

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

[Table 10]

Statement of comprehensive income for the period from January 1 to March 31, 2010

All figures in €'000	1st quarter 2010	1st quarter 2009*
Net profit	**1,703**	**−1,353**
Other comprehensive income		
Securities marked to market	1,703	253
Tax expense	−12	−20
Other comprehensive income after tax	**1,691**	**234**
Total comprehensive income	**3,394**	**−1,120**
Total comprehensive income attributable to		
owners of the parent company	3,394	−1,120

* Previous year's value adjusted. The adjustments are disclosed under note 3

Consolidated statement of financial position

[Table 11]

Assets as at March 31, 2010

All figures in €'000	Notes	March 31, 2010	Dec 31, 2009
Intangible assets		154,284	156,138
Property, plant and equipment		77,564	78,781
Investment property		11,372	11,432
Shares accounted for using the equity method		2,116	2,013
Deferred tax assets		2,863	2,969
Receivables from clients in the banking business		315,767	313,494
Receivables from banks in the banking business	(9)	471,696	498,201
Financial investments	(10)	239,801	192,389
Tax refund claims		31,294	33,059
Other accounts receivable and other assets	(11)	99,037	132,088
Cash and cash equivalents		46,198	54,968
Total		**1,451,992**	**1,475,532**

[Table 12]

Liabilities and shareholders' equity as at March 31, 2010

All figures in €'000	Notes	March 31, 2010	Dec 31, 2009
Shareholders' equity	(12)	421,926	418,532
Provisions		53,363	52,383
Deferred tax liabilities		11,512	10,668
Liabilities due to clients in the banking business		772,387	750,282
Liabilities due to banks in the banking business		23,498	20,774
Tax liabilities		1,309	9,029
Other liabilities		167,997	211,816
Liabilities in connection with non-current assets held for sale and disposal groups		–	2,049
Total		**1,451,992**	**1,475,532**

Consolidated statement of cash flows

[Table 13]

Statement of cash flows for the period from January 1 to March 31, 2010

All figures in €'000	1st quarter 2010	1st quarter 2009*
Cash flow from operating activities	43,299	55,307
Cash flow from investing activities	−48,711	38,773
Cash flow from financing activities	−2,172	–
Change in cash and cash equivalents	**−7,584**	**94,080**
Cash and cash equivalents at the end of the period	**116,040**	**132,527**

Thereof discontinued operations

All figures in €'000	1st quarter 2010	1st quarter 2009*
Cash flow from operating activities	−3,187	526
Cash flow from investing activities	–	−39
Cash flow from financing activities	–	–
Change in cash and cash equivalents	**−3,187**	**487**
Cash and cash equivalents at the end of the period	**0**	**1,287**

* Previous year's value adjusted. The adjustments are disclosed under note 3

Statement of changes in equity

[Table 14]

	Equity attributable to MLP AG shareholders				
All figures in €'000	Share capital	Capital reserves	Securities marked to market	Other comprehensive income	Total
As at Jan 1, 2009 (as reported)	**107,861**	**142,084**	**–97**	**179,278**	**429,125**
Retrospective adjustments	–	–	–	–3,197	–3,197
As at Jan 1, 2009 (adjusted)	**107,861**	**142,084**	**–97**	**176,081**	**425,928**
Transactions with owners	**–**	**–**	**–**	**–**	**–**
Total comprehensive income	–	–	234	–1,353	–1,120
As at March 31, 2009	**107,861**	**142,084**	**137**	**174,727**	**424,809**
As at Jan 1, 2010	**107,878**	**142,184**	**–1,573**	**170,044**	**418,532**
Transactions with owners	**–**	**–**	**–**	**–**	**–**
Total comprehensive income	–	–	1,691	1,703	3,394
As at March 31, 2010	**107,878**	**142,184**	**118**	**171,747**	**421,926**

Notes to the consolidated financial statements

[Table 15]

Segment reporting

All figures in €'000	FINANCIAL SERVICES 1st quarter 2010	FINANCIAL SERVICES 1st quarter 2009*
Revenue	107,492	113,354
of which total inter-segment revenue	56	56
Other revenue	4,528	3,687
of which total inter-segment revenue	442	614
Total revenue	**112,020**	**117,041**
Commission expenses	−39,998	−41,323
Interest expenses	−2,471	−4,593
Personnel expenses	−20,537	−21,812
Depreciation/amortisation and impairment	−2,759	−3,129
Other operating expenses	−41,082	−37,421
Earnings from shares accounted for using the equity method	103	29
Segment earnings before interest and tax (EBIT)	**5,276**	**8,793**
Other interest and similar income	97	233
Other interest and similar expenses	−415	−628
Finance cost	**−318**	**−394**
Earnings before tax (EBT)	**4,958**	**8,399**
Income taxes		
Earnings from continuing operations after tax		
Earnings from discontinued operations after tax	**−287**	**−1,854**
Net profit		
	March 31, 2010	Dec 31, 2009
Segment assets	**1,047,213**	**1,094,592**

* Previous year's value adjusted. The adjustments are disclosed under note 3

	FERI		HOLDING		CONSOLIDATION / OTHER		TOTAL	
	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009*
	7,876	7,522	–	–	–80	–78	115,289	120,799
	23	22	–	–	–78	–78	0	0
	928	1,299	3,336	3,213	–2,890	–3,498	5,903	4,700
	–	–	2,448	2,885	–2,890	–3,498	0	0
	8,804	**8,821**	**3,336**	**3,213**	**–2,970**	**–3,576**	**121,191**	**125,499**
	–401	–240	–	–	76	47	–40,324	–41,516
	–	–	–	–	1	1	–2,470	–4,592
	–5,770	–6,285	–1,311	–850	–	–	–27,618	–28,947
	–592	–614	–760	–816	–	–	–4,112	–4,559
	–2,264	–2,690	–2,243	–6,136	2,856	3,533	–42,732	–42,714
	–	–	–	–	–	–	103	29
	–222	**–1,008**	**–977**	**–4,589**	**–37**	**4**	**4,039**	**3,200**
	1	9	2,577	5,462	–1,011	–3,420	1,663	2,285
	–3	–17	–1,906	–3,431	161	332	–2,163	–3,743
	–3	**–7**	**671**	**2,031**	**–850**	**–3,088**	**–499**	**–1,458**
	–225	**–1,015**	**–306**	**–2,558**	**–887**	**–3,084**	**3,540**	**1,742**
							–1,550	–1,646
							1,990	**96**
	–	–	–	–	**–**	**405**	**–287**	**–1,449**
							1,703	**–1,353**
	March 31, 2010	Dec 31, 2009	March 31, 2010	Dec 31, 2009	March 31, 2010	Dec 31, 2009	March 31, 2010	Dec 31, 2009
	102,063	**105,626**	**506,170**	**513,831**	**–203,454**	**–238,517**	**1,451,992**	**1,475,532**

(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 corporate pension business, 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, 2009.

Apart from the exception detailed in note 3, the same consolidation principles and accounting policies as for the consolidated financial statements of the financial year 2009 have been applied to this interim financial report. These are presented in the Group notes to the annual report 2009 that can be downloaded from the company's website (www.mlp-ag.com).

The interim financial report has been drawn up in euros (€), the functional currency of MLP AG. Unless otherwise specified, 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) Adjustments to the accounting policies

The accounting policies applied are the same as those used in the comparison period, with the following exceptions:

In the financial year 2009, MLP became aware of two cases which were recorded incorrectly in the previous years. In one case a trailer commission and in the other an expense were allocated to the wrong period of time. The errors are corrected retroactively in line with IAS 8. The effects of the adjustment in 2008 on the earnings per share were less than € 0.01.

Furthermore, in the fourth quarter of 2009 MLP concluded the purchase price allocation (ppa) concerning the acquisition of ZSH. This led to a change in the depreciation. The effect of the adjustment in 2009 on the earnings per share amounted to less than € 0.01.

The table below illustrates the effects of the changes with regard to the previous year's figures:

[Table 16]

All figures in €'000	1st quarter 2009 adjusted	1st quarter 2009 as reported	+/–	of which error correction	of which business acquisition (ppa)
Total revenue	**125,499**	**125,499**	**–**	**–**	**–**
Depreciation/amortisation and impairment	–4,559	–4,390	–168	–	–168
Other operating expenses	–42,714	–42,654	–61	–61	–
Earnings before interest and tax (EBIT)	**3,200**	**3,429**	**–229**	**–61**	**–168**
Finance cost	**–1,458**	**–1,458**	**–**	**–**	**–**
Earnings before tax (EBT)	**1,742**	**1,971**	**–229**	**–61**	**–168**
Income taxes	–1,646	–1,715	69	18	52
Earnings from continuing operations after tax	**96**	**255**	**–160**	**–43**	**–117**
Earnings from discontinued operations after tax	**–1,449**	**–1,449**	**–**	**–**	**–**
Net profit (total)	**–1,353**	**–1,194**	**–160**	**–43**	**–117**

Furthermore, in the financial year 2010 the following new or revised standards are to be used for the first time:

- Amendments to IFRS 2 "Group cash-settled share-based payment transactions",
- Improvements to IFRSs 2009.

The improvements to the IFRS in April 2009 (endorsed by the EU in March 2010) are of relevance to MLP, particularly concerning the changes to IAS 7 "Cash Flow Statement". In accordance with the revised standard, cash outflows are only to be allocated to investing activities if they are associated with the capitalisation of assets.

Accordingly, in the first quarter 2010 MLP allocated € 3,187 thsd of net cash outflow associated with the sale of subsidiaries, to operating activities. In the absence of specific transitional regulations, the change to IAS 7 is to be applied retroactively. As a consequence, in the cash flow statement for the first quarter 2009, € –400 thsd have now been shown as cash flow from operating activities instead of as cash flow from investing activities.

The other changes did not have any effect on the presentation of the MLP Group's net assets, financial position or result from operations.

(4) Seasonal influences on business operations

The financial crisis and the associated fears of recession remain the determining negative factors in terms of client demand for professional financial consulting services. Due to seasonal influences on its business operations, the Group nevertheless anticipates a higher level of net profit from continuing operations for the remainder of the financial year than was achieved in the first quarter.

(5) Revenue

[Table 17]

All figures in €'000	1st quarter 2010	1st quarter 2009
Old-age provision	58,860	62,886
Wealth management	18,324	17,165
Non-life insurance	16,396	15,229
Health insurance	12,859	13,678
Loans and mortgages	2,120	1,952
Other commission and fees	570	673
Commission and fees	**109,129**	**111,582**
Interest income	**6,159**	**9,217**
Total	**115,289**	**120,799**

(6) Personnel expenses/number of employees

Personnel expenses decreased from € 28,947 thsd to € 27,618 thsd. The decrease is primarily due to the decline in the number of employees.

At March 31, 2010, the MLP Group had the following numbers of employees in the strategic fields of business:

[Table 18]

	March 31, 2010		March 31, 2009	
		of which part-time employees		of which part-time employees
Financial services	1,435	155	1,803	418
Feri	257	68	265	62
Holding	14	1	11	1
Total	**1,706**	**224**	**2,079**	**481**

(7) Other operating expenses

[Table 19]

All figures in €'000	1st quarter 2010	1st quarter 2009*
IT operations	11,688	10,093
Rental and leasing	4,491	4,556
Consultancy	3,544	6,943
Administration operations	3,499	3,607
Training and further training	1,908	2,254
Representation and advertising	1,816	2,179
External services – banking business	1,796	1,881
Depreciation/impairment on other accounts receivable and other assets	1,796	951
Premiums and fees	1,624	1,611
Expenses for commercial agents	1,517	1,005
Depreciation / impairment on receivables from clients in the banking business	1,299	922
Entertainment	1,085	1,290
Travel expenses	903	1,237
Insurance	731	610
Maintenance	380	421
Audit	347	261
Other personnel costs	298	373
Expenses from currency translation	27	29
Expenses from disposal of assets	9	268
Sundry other operating expenses	3,975	2,223
Total	**42,732**	**42,714**

* Previous year's value adjusted. The adjustments are disclosed under note 3

The costs of IT operations contain operating expenses for applications that have passed over to an external service provider through outsourcing. The expenses for administration operations contain costs relating to building operations, office costs as well as communication costs. The consulting costs consist of tax advice costs, legal advice costs as well as general and IT consulting costs. The consulting costs in 2009 contained one-off expenses for defence against a takeover. The depreciation and impairment on other accounts receivable and other assets contain the allowance for risk on receivables from commercial agents. The expense for commercial agents includes the expense for consultants who have left the company as well as the training allowance for new consultants. Sundry other operating mainly consist of external services, car costs, donations and specialist literature.

[Table 20]

(8) Finance cost

All figures in €'000	1st quarter 2010	1st quarter 2009
Other interest and similar income	**1,663**	**2,285**
Interest from financial instruments	–1,851	–3,596
Accrued interest on pension provisions	–312	–147
Other interest and similar expenses	**–2,163**	**–3,743**
Finance cost	**–499**	**–1,458**

The decrease in other interest and similar income results from lower interest of cash funds. The decrease in other interest and similar expenses is mainly attributable to dividend payments to the remaining shareholders of Feri Finance AG amounting to € 653 thsd (previous year: € 2,368 thsd).

(9) Receivables from banks in the banking business

The reduction in receivables from banks, which fell from € 498,201 thsd to € 471,696 thsd, is mainly attributable to the profit transfer payment by MLP Finanzdienstleistungen AG to MLP AG.

[Table 21]

(10) Financial investments

All figures in €'000	March 31, 2010	Dec 31, 2009
Available for sale		
Debt securities and holdings in investment funds	36,353	33,424
Investments	3,414	3,398
Held-to-maturity securities	49,742	45,385
Loans and receivables	150,293	110,183
Total	**239,801**	**192,389**

The rise in financial investments mainly results from the investment of the funds stemming from the profit transfer from MLP Finanzdienstleistungen AG as fixed term deposits.

(11) 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, 2009 had to be shown which were then balanced out in the first quarter of 2010. A lower amount of receivables and liabilities were built up in the first quarter of 2010.

(12) Shareholders' equity

Share capital

The share capital of MLP AG is made up of 107,877,738 (December 31, 2009: 107,877,738) no-par-value shares. In the first quarter of 2010 no new no-par-value shares were issued through the exercising of rights of conversion.

Dividend

The Executive and Supervisory Board propose to the Annual General Meeting on May 20, 2010 a dividend of € 26,969 thsd for the financial year 2009. This corresponds to € 0.25 per share. For the financial year 2008 MLP AG distributed a dividend amounting to € 0.28 per share in the second quarter 2009.

(13) Discontinued operations

The revenue and expenses from discontinued operations are illustrated below.

[Table 22]

All figures €'000	1st quarter 2010	1st quarter 2009
Revenue	–	1,848
Other revenue	–	31
Total revenue	**–**	**1,880**
Commission expenses	–	–842
Personnel expenses	–	–1,359
Depreciation and amortisation	–	–3
Other operating expenses	–	–1,200
Earnings before interest and tax (EBIT)	–	–1,525
Other interest and similar income	–	3
Other interest and similar expenses	–	–1
Finance cost	**–**	**2**
Earnings before tax (EBT)	**–**	**–1,523**
Income taxes	–	–5
Operating profit	**–**	**–1,528**
Earnings from the sale of the operations before tax	–305	–2
Income taxes	18	82
Earnings from the sale of operations after tax	**–287**	**79**
Earnings from discontinued operations after tax	**–287**	**–1,449**
Earnings per share in €		
From discontinued operations		
basic	0.00	–0.01
diluted	0.00	–0.01

The operating results in 2009 contain only the expenses and income of the foreign subsidiary in Austria and the branch in the Netherlands.

(14) Notes to the consolidated statement of cash flows

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.

[Table 23]

All figures in €'000	March 31, 2010	March 31, 2009
Cash and cash equivalents	46,198	33,126
Cash and cash equivalents, contained in non-current assets held for sale and disposal groups	–	1,287
Loans < 3 months	70,000	100,000
Liabilities to banks due on demand	–158	–1,886
Cash and cash equivalents	**116,040**	**132,527**

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.

The cash flow from operating activities results from cash flows that cannot be defined as investment or financing activities. This is determined on the net profit. For indirect determination of the cash flow, the changes in items due to operating activities are adjusted to take account of effects from changes to the scope of consolidation and currency translation. The changes in the respective items can therefore only be partly aligned with the corresponding values in the published consolidated statements. The cash flow from operating activities fell by € 12.0 million year on year to € 43.3 million.

In the current financial year, cash flow from investing activities is mainly influenced by the investment of cash in fixed term deposits. In the comparative period, cash flow from investing activities was influenced by matured fixed term deposits.

The change in cash flow from financing activities is due to the repayment of loan liabilities.

(15) Notes on Group reporting by segment

There were no significant changes compared to December 31, 2009.

(16) Other financial commitments, contingent assets and liabilities and other liabilities

Compared to December 31, 2009 there were no significant changes in other financial commitments, contingent assets and liabilities or other liabilities.

(17) Related party disclosures

Compared to December 31, 2009 there were no significant changes in the relationships and no significant business with related companies and persons.

(18) Events subsequent to the reporting reference date

On May 1, 2010 Manfred Bauer joined the Executive Board of MLP and assumed responsibility for the product management and purchasing.

Beyond this 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, May 11, 2010

MLP AG

Executive Board

Dr. Uwe Schroeder-Wildberg   Manfred Bauer   Ralf Schmid   Muhyddin Suleiman

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Executive bodies at MLP AG

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

Gerhard Frieg
(Product management and purchasing,
until March 31, 2010)

Manfred Bauer
(Product management and purchasing,
since May 1, 2010, appointed until April 30, 2015)

Ralf Schmid
(Chief Operating Officer,
appointed until December 31, 2012)

Muhyddin Suleiman
(Sales,
appointed until September 3, 2012)

Supervisory Board
Dr. Peter Lütke-Bornefeld
(Chairman)

Dr. h. c. Manfred Lautenschläger
(Vice chairman)

Dr. Claus-Michael Dill

Johannes Maret

Maria Bähr
(Employee representative)

Norbert Kohler
(Employee representative)

Contact

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Financial calendar 2010

May 12
Results for the 1st quarter 2010
(Publication of the financial interim report)

May 20
Annual General Meeting 2010, Mannheim

May 21
Dividend payment

June 23–24
Roadshow, Frankfurt, London

August 12
Results for the 2nd quarter 2010
(Publication of the financial interim report)

October 6–7
Roadshow, USA

November 11
Results for the 3rd quarter 2010
(Publication of the financial interim report)

December 1–2
Roadshow, Europe

Financial calendar 2011

January 17–19
Cheuvreux German Conference, Frankfurt

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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