Interim Group Report for the first nine months and for the third quarter 2010

MLP

MLP Group

[Table 01]

MLP key figures

All figures in € million	3rd quarter 2010	3rd quarter 2009	9 months 2010	9 months 2009	Change
Continuing operations					
Total revenue	116.0	113.9	348.8	345.3	1.0 %
Revenue	111.0	109.4	332.3	330.2	0.6 %
Other revenue	5.0	4.5	16.6	15.1	9.9 %
Earnings before interest and tax (EBIT)	8.7	6.3	17.0	11.7	45.3 %
EBIT margin (%)	7.5 %	5.5 %	4.9 %	3.4 %	–
Earnings from continuing operations	6.8	4.6	11.9	4.1	>100.0 %
Earnings per share (diluted) in €	0.06	0.04	0.11	0.04	>100.0 %
MLP Group					
Net profit (total)	7.2	4.2	12.5	–2.3	>100.0 %
Earnings per share (diluted) in €	0.07	0.04	0.12	–0.02	>100.0 %
Cash flow from operating activities	15.0	13.7	93.0	79.6	16.8 %
Capital expenditure	0.9	0.7	3.2	3.6	–11.1 %
Shareholders' equity	–	–	406.5	418.5[1]	–2.9 %
Equity ratio	–	–	28.3 %	28.4 %[1]	–
Balance sheet total	–	–	1,436.9	1,475.5[1]	–2.6 %
Clients[2]	–	–	771,000	785,500[1]	–1.8 %
Consultants[2]	–	–	2,317	2,383[1]	–2.8 %
Branch offices[2]	–	–	200	238[1]	–16.0 %
Employees	–	–	1,660	1,789	–7.2 %
Arranged new business[2]					
Old-age provisions (premium sum in € billion)	1.0	1.1	3.0	3.0	–
Health insurance (annual premium)	14.9	10.7	38.2	31.3	22.0 %
Loans and mortgages	324	360	902	931	–3.1 %
Assets under Management (in € billion)	–	–	19.3	17.0 [1]	13.5 %

[1] As at December 31, 2009
[2] Continuing operations

Interim Group Report for the first nine months and the third quarter 2010

THE FIRST NINE MONTHS AND THE THIRD QUARTER 2010 AT A GLANCE

- Q3: Total revenue increase to € 116.0 million, EBIT rises to € 8.7 million
- 9M: Significant jump in earnings – EBIT climbs to € 17.0 million (45 % increase), net profit almost triples
- Assets under Management continue to grow, with € 19.3 billion again reaching a record high
- Outlook: Further pick-up in business anticipated for the year-end

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Profile

MLP – THE LEADING INDEPENDENT CONSULTING COMPANY

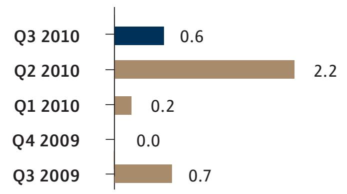
MLP is Germany's leading independent consulting company. Supported by comprehensive research, the Group provides a holistic consulting approach that covers all economic and financial questions for private and corporate clients, as well as institutional investors. The key aspect of the consulting approach is the independence of insurance companies, banks and investment firms. The MLP Group manages total assets of more than € 19.3 billion and supports more than 771,000 private and 4,000 corporate clients. The financial services and wealth management consulting company was founded in 1971 and holds a full banking licence.

The concept of the founders, which still remains the basis of the current business model, is to provide long-term consulting for academics and other discerning clients in the fields of old-age provision, wealth management, health insurance, non-life insurance, loans and mortgages 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 schemes and asset and risk management.

Interim Management Report for the first nine months and the third quarter 2010

[Figure 01]

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



Source: Federal Ministry of Finance

MACROECONOMIC ENVIRONMENT

The macroeconomic environment in Germany after the conclusion of the third quarter remains favourable. Following the rapid rise in economic output in the second quarter, which increased by 2.2 % compared to the first quarter, economic experts had anticipated that the development in the third quarter would ease – but at 0.6 % it still showed strong growth. MLP's business development is heavily influenced by the macroeconomic situation in Germany as the company generates almost all its revenue in this market.

Whereas the strong rise in economic output in the first half of the year was predominantly supported by exports and investments, in the third quarter private consumption became an additional important pillar of this growth. One of the decisive factors behind this situation is surely the very positive development in the labour market. At the end of September 2010 the unemployment rate had fallen to 7.2 %, representing a decrease of 0.8 percentage points compared to the previous year. The associated job and income security led to an improvement in consumer spending. The consumer climate barometer of the market research company GfK reached a value of 4.1 in September, compared to 4.0 in August.

The favourable economic situation during the period under review had only a partially positive influence on the business development of MLP. Although we were able to achieve, in some cases, double-digit growth rates in the areas of health insurance, wealth management and non-life insurance, revenue in the old-age provision sector fell by 2.8 %. Here, the effects of the financial crisis continued to prevail – in the first nine months of the current financial year our clients remained hesitant with respect to the conclusion of long-term old-age provision contracts (see also section on "Old-age provision", page 6).

[Figure 02]
Reduction in old-age provision in Germany

Due to the financial and economic crisis, a portion of the surveyed working population cancelled or reduced their old-age provision contracts:

Source: Allensbach Institute for Public Opinion Research/Postbank
Base: Working people in Germany aged 16 and above

SITUATION WITHIN THE INDUSTRY AND THE COMPETITIVE ENVIRONMENT

Old-age provision

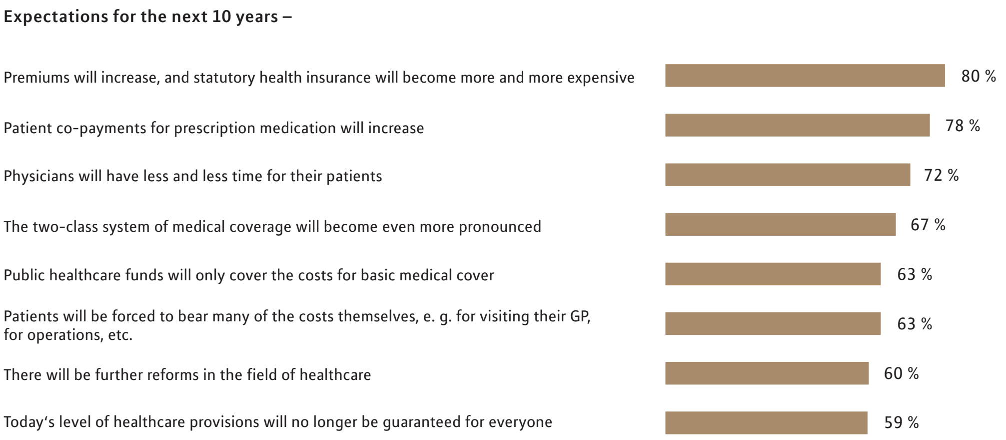
The financial crisis heavily impacted old-age provision in Germany. A survey commissioned by Postbank and conducted by the Allensbach Insitute for Public Opinion Research, revealed that around 20 % of respondents reduced or even cancelled their old-age provision arrangements during 2010. Overall, those under 50 years of age allocated 12 % less to their old-age provision – despite full awareness of the fact that their contributions would not be sufficient to maintain their living standards in old-age. This discrepancy clearly shows the uncertainty on the part of investors in the aftermath of the financial crisis with respect to long-term saving for the purpose of old-age provision.

This negative trend is also confirmed in figures released by the Gesamtverband der Deutschen Versicherungswirtschaft e. V. (German Insurance Association) for the life insurance industry. In the first nine months of the year, new business for life insurance with recurrent premiums fell by 2.3 %.

The hesitancy on the part of clients with respect to the conclusion of old-age provision contracts was also evident in the business development of MLP. In the first nine months of the current financial year, revenue in this area fell by 2.8 % to € 182.7 million.

[Figure 03]

Citizens anticipate further limitations and increasing charges in the German statutory healthcare system



Base: Federal Republic of Germany, population 16 years and above
Source: MLP Health Report 2009

Health provision

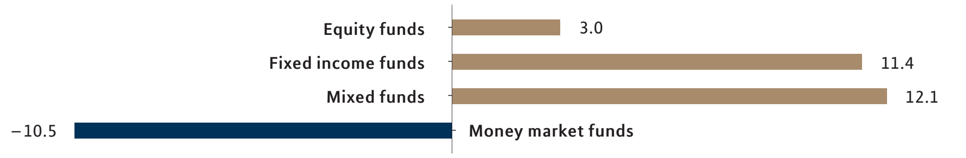
The development in the health insurance market during the period under review was very heavily influenced by the debate surrounding the latest healthcare reform. As the pay-as-you-go state healthcare system had once again reached the limits of its financeability due to the demographic development in Germany and medical-technical advancements, a further reform became unavoidable. The reform, which comes into effect on January 1, 2011, includes the following key components:

- The standard premium for statutory health insurance funds rises from 14.9 % to 15.5 %.
- Future cost increases must be borne entirely by the insurees. In this respect, a non income-related premium is to be introduced, the level of which can be set by each individual statutory health insurance fund.
- If the additional premium set by the statutory healthcare fund exceeds 2 % of the income of an insuree, the difference is to be financed from tax revenue.

The controversial and public discussion about the reform was beneficial to the business development of MLP. The adopted amendments strengthen clients' conviction that, in future, the financeability of the state health insurance system can only be secured through further rises in premiums and further reductions in the catalogue of treatments and services provided. This led to greater willingness to cover health risks in the form of full private health insurance or through supplementary health insurance policies. During the period under review our revenue in this area rose by 19.0 % to € 39.4 million.

[Figure 04]

Inflows and outflows in various types of mutual investment funds in Germany in 9M 2010 (in € billion)



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

Wealth management

After the end of the third quarter 2010, the German investment fund industry appears to have finally shrugged off the financial and economic crisis. From January to September 2010, both private as well as institutional investors started to return to investment funds. During this period private investors placed around € 18.9 billion into mutual funds, whereas institutional investors entrusted some € 42.4 billion of new monies to funds. In this respect, private investors showed a clear preference for mixed and fixed-income funds. Due to the low interest rates, money market funds registered significant outflows amounting to € 10.5 billion.

In total, registered investment funds in Germany managed € 1,808.5 billion at September 30, 2010, corresponding to an increase of 8.7 % compared to the previous year. The volume of assets now once again significantly exceeds the level attained before the outbreak of the financial crisis during the middle of 2008 (€ 1,650.1 billion at the reference date on June 30, 2008).

The positive development was even more apparent at MLP. We too succeeded in generating significant inflows of funds from private and institutional investors. At the end of the third quarter, managed client monies (Assets under Management) reached a new record high of € 19.3 billion, representing an increase of 13.5 % compared to the end of 2009.

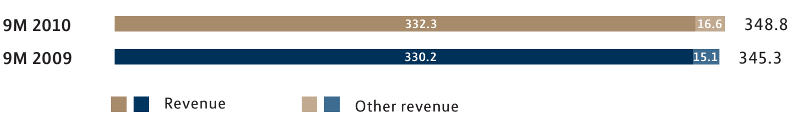
Competition

In the third quarter of 2010, the federal government initiated further regulatory steps concerning the German financial services market. The government approved legislation concerning the strengthening of investor protection and the improvement of the functionality of the capital markets. Through this legislation, the government seeks to further improve investor protection in the aftermath of the financial crisis and thereby re-establish the confidence and trust of market participants in functional capital markets and in a fair, customer-oriented range of financial services offerings. The planned changes include measures to prescribe proof of expertise for investment consulting, introduce a register for investment consultants and sanction possibilities for misguided advice as well as establishing the requirement for a so-called product information sheet for investment products.

The competitive situation within the market has not fundamentally changed in the first nine months of 2010. Some of the smaller market participants in particular continue to struggle with the effects of the more stringent legal framework conditions that were introduced in recent years (EU-brokerage guideline, Markets in Financial Instruments Directive (MiFID), changes to the Insurance Contract Law). The market is therefore in a consolidation phase.

Company situation

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



RESULTS OF OPERATIONS

Rising total revenue

In the first nine months of the current financial year MLP generated total revenue amounting to € 348.8 million, corresponding to a slight increase of 1 %. Revenue from commissions and fees across all the consulting areas totalled € 313.4 million, rising by 2.6 % compared to the same period in the previous year (€ 305.5 million). The highest growth rate was achieved in health insurance where revenue increased by 19.0 % from € 33.1 million to € 39.4 million. In wealth management there is evidence of returning confidence and trust on the part of investors with respect to capital market-related products, which, in turn, led to a rise in revenue by 10.2 % to € 57.1 million (€ 51.8 million). Demand for greater risk protection remained high, resulting in a 7.7 % increase in non-life insurance revenue to € 23.9 million (€ 22.2 million). Revenue from old-age provision products fell slightly and amounted to € 182.7 million (€ 188.0 million). Interest income also decreased due to the prevailing low interest rates, falling to € 18.8 million (€ 24.8 million).

Revenue development in the third quarter was similar to the overall period under review. Total revenue in the period from July to September 2010 amounted to € 116.0 million (€ 113.9 million). This also equates to an increase of 3.9 % compared to the second quarter. Revenue from commissions and fees rose by 2.5 % to € 104.6 million. Similarly to the nine-month period, this was mainly attributable to the areas of wealth management and health insurance.

Reduction of fixed costs as planned

In the first nine months of the current financial year the mainly variable commission expenses increased by 7.7 % from € 109.9 million to € 118.4 million, and therefore rose over-proportionally compared to the revenue from commissions and fees. On the other hand, interest expenses decreased, falling from € 9.9 million to € 7.1 million. Here the effects of the generally lower interest rates compared to the previous year were very evident. Overall, we thus achieved an interest result amounting to € 11.7 million (€ 14.9 million).

In the period under review our fixed costs (personnel expenses, depreciation, amortisation and impairment and other operating expenses) decreased, as planned, by 3.3 % to € 207.1 million. Our goal for the full year remains to reduce the fixed costs by around € 10 million. During the first nine months of the year we have already achieved € 7.0 million of this target. In particular this was largely attributable to a reduction in personnel expenses by € 5.4 million and in amortisation, depreciation and impairment by € 1.6 million.

[Figure 06]

EBIT from continuing operations (in € million)

Profit situation significantly improved

The modest pick-up in revenue and the achieved cost savings enabled us to significantly improve the profit situation of the company. Earnings before interest and tax (EBIT) rose by 45.3 % to € 17.0 million. Together with the likewise improved and balanced financial result (previous year € –1.1 million), pre-tax profit (earnings before tax, EBT) rose to € 17.0 million. Compared to the previous year, this corresponds to an increase of 58.9 %.

Income tax expenses in the period under review amounted to € 5.1 million which resulted in a tax rate of 30 %. In the previous year, income tax expenses were significantly higher at € 6.5 million and included, among other items, a one-off liability for tax arrears amounting to € 1.4 million. Overall, we were able to almost triple post-tax earnings from continuing operations from € 4.1 million to € 11.9 million. Earnings from the discontinued operations after tax (further details are contained in the "Notes", page 40) amounted to € 0.5 million (€ –6.4 million). This led to an improved Group result, which rose from € –2.3 million to € 12.5 million and, in turn, led to a correspondingly positive improvement in the earnings per share (diluted and basic) which increased from € –0.02 to € 0.12.

The development of expenses in the third quarter progressed similarly to the overall period under review. Due to the slight increase in revenue and the achieved cost reductions, the profit situation also significantly improved in the third quarter. We achieved earnings before interest and tax (EBIT) of € 8.7 million, corresponding to an increase of 38.1 %. Together with the slightly regressive financial result of € 0.7 million (€ 1.0 million), MLP achieved earnings before tax (EBT) of € 9.4 million (€ 7.3 million). Taking into account the almost unchanged income tax expenses amounting to € 2.5 million (€ 2.8 million), post-tax earnings from continuing operations totalled € 6.8 million (€ 4.6 million). In the discontinued operations, the result also improved, rising from € –0.4 million to € 0.3 million. The Group result in the third quarter thus amounted to € 7.2 million (€ 4.2 million) and earnings per share (diluted and basic) rose from € 0.04 to € 0.07.

[Table 02]

Earnings development of continuing operations

All figures in € million	9 months 2010	9 months 2009	Change
Total revenue	348.8	345.3	1.0 %
EBIT	17.0	11.7	45.3 %
EBIT margin	5.1 %	3.5%	–
Finance costs	– 0.04	– 1.1	96.4 %
EBT	17.0	10.7	58.9 %
EBT margin	5.1 %	3.2 %	–
Income tax	– 5.1	– 6.5	– 21.5 %
Net profit (continuing operations)	11.9	4.1	> 100.0 %
Net margin	3.6 %	1.2 %	–

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, 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 expected to achieve stable revenue development during the current financial year. This forecast was confirmed in the first nine months of the financial year for the old-age provision area with only a slight fall of 2.8 %. In the health insurance area, business development was significantly better than anticipated, rising by 19.0 % (see also section "Rising total revenue", page 9). However, in wealth management we expected to achieve a moderate revenue increase in the financial year 2010. This development was already evident during the period under review. Revenue in wealth management rose by 10.2 %.

The development of expenses in the first nine months also conformed to our expectations. Our target for the full year is to reduce fixed costs (personnel expenses, depreciation, amortisation and impairment and other operating expenses) by € 10 million. In the period under review these expenses were already reduced by a total of € 7.0 million (see section on "Reduction of fixed costs as planned", page 9).

Further rise in Assets under Management

Thanks to the positive development in new business with private clients and institutional investors as well as to the current up-trend in the capital markets, Assets under Management continued to grow, reaching a new record high of € 19.3 billion (June 30, 2010: € 18.7 billion). In old-age provision, the premium sum remained stable in the first nine months, amounting to € 3.0 billion (€ 3.0 billion). Occupational pension business accounted for around 11 % of this figure (full year 2009: 10 %). In private health insurance, annual premiums rose to € 38.2 million (€ 31.3 million).

MLP gains 24,500 new clients in the first nine months

In the first three quarters of the year MLP welcomed a total of 24,500 new private clients (24,500). In this respect, the third quarter proved to be the strongest quarter of the year so far – resulting in 8,500 new clients. The total number of clients thus stands at 771,000 (June 30, 2010: 767,000). At September 30, 2010, the number of consultants amounted to 2,317 (June 30, 2010: 2,359).

[Table 03]

Assets as at September 30, 2010

All figures in € million	Sept 30, 2010	Dec 31, 2009	Change
Intangible assets	150.5	156.1	–3.6 %
Property, plant and equipment	75.7	78.8	–3.9 %
Investment property	11.2	11.4	–1.8 %
Shares accounted for using the equity method	2.4	2.0	20.0 %
Deferred tax assets	2.5	3.0	–16.7 %
Receivables from clients in the banking business	338.8	313.5	8.1 %
Receivables from banks in the banking business	437.8	498.2	–12.1 %
Financial investments	256.4	192.4	33.3 %
Tax refund claims	18.0	33.1	–45.6 %
Other accounts receivable and other assets	94.9	132.1	–28.2 %
Cash and cash equivalents	48.8	55.0	–11.3 %
Total	**1,436.9**	**1,475.5**	**–2.6%**

NET ASSETS

Total assets fall by 2.6 %

Compared to December 31, 2009, the total assets of the MLP Group decreased by 2.6 % from € 1,475.5 million to € 1,436.9 million. The main changes on the asset side of the balance sheet relate to five items. Our loans to clients (receivables from clients in the banking business) rose by 8.1 % to € 338.8 million. However, receivables from financial institutions in the banking business reduced by 12.1 % to € 437.8 million. This is primarily attributable to the profit transfer from our subsidiary MLP Finanzdienstleistungen AG to MLP AG for the financial year 2009 amounting to € 41.8 million and to the redeployment of liquid funds into longer-term investments.

Financial investments and cash and cash equivalents grew, in total, by 23.4 % to € 305.2 million. The main changes arose due to the profit transfer by our subsidiary MLP Finanzdienstleistungen AG, the dividend payment for the financial year 2009 as well as due to the redeployment of liquid funds into longer term investments.

At the balance sheet reference date on September 30, 2010, tax refund claims amounted to € 18.0 million (€ 33.1 million).

Other accounts receivable and other assets fell from € 132.1 million to € 94.9 million as a result of usual seasonal variations. This item mainly consists of receivables from insurance companies for whom we have brokered insurance contracts. Due to the usual strong year-end business, these rise significantly at the end of the year and then fall again during the course of the following financial year.

[Table 04]
Liabilities and shareholders' equity as at September 30, 2010

All figures in € million	Sept 30, 2010	Dec 31, 2009	Change
Shareholders' equity	406.5	418.5	−2.9 %
Provisions	46.2	52.4	−11.8 %
Deferred tax liabilities	11.1	10.7	3.7 %
Liabilities due to clients in the banking business	811.5	750.3	8.2 %
Liabilities due to banks in the banking business	16.6	20.8	−20.2 %
Tax liabilities	1.3	9.0	−85.6 %
Other liabilities	143.7	211.8	−32.2 %
Liabilities in connection with non-current assets held for sale and disposal groups	–	2.0	−100.0 %
Total	**1,436.9**	**1,475.5**	**−2.6 %**

Equity capital position remains very good

After the first nine months of the current financial year our equity ratio was almost unchanged at 28.3 % (28.4 %) and the equity capital position of the Group therefore remains very good. The equity capital decreased slightly by 2.9 % to € 406.5 million. The main changes resulted from the payment of the dividend for the financial year 2009 amounting to € 27.0 million, the profit from the period under review and a change in retained earnings due to the marked- to- market valuation of securities.

We were able to reduce the provisions from € 52.4 million to € 46.2 million. The decrease was mainly attributable to the payment of client servicing commissions to our consultants.

The development of our deposit business is shown in the liabilities due to clients and financial institutions in the banking business. In the period under review client deposits rose by 8.2 % to € 811.5 million. These mainly consist of deposits in the areas of open and instant access accounts as well as deposits in connection with our credit card business.

We reduced our tax liabilities from € 9.0 million to € 1.3 million. Other liabilities fell from € 211.8 million to € 143.7 million in accordance with usual seasonal fluctuations. These mainly contain commission claims by our consultants which usually rise sharply at the reference date on December 31 due to our strong year-end business, but which then fall again in the following quarters.

[Table 05]

Condensed statement of cash flows in continuing operations

All figures in € million	3rd quarter 2010	3rd quarter 2009	9 months 2010	9 months 2009
Cash and cash equivalents at the beginning of period	96.6	134.0	123.6	38.0
Cash flows from operating activities	15.1	13.9	96.2	79.4
Cash flows from investing activities	22.2	–26.4	–53.2	34.3
Cash flows from financing activities	–0.5	–0.8	–29.6	–31.0
Changes in cash and cash equivalents	**37.3**	**–13.3**	**13.3**	**82.7**
Inflows/outflows due to divestments	–0.1	0.0	–3.1	–0.1
Cash and cash equivalents at the end of period	133.8	120.7	133.8	120.7

FINANCIAL POSITION

Cash flow from operating activities in continuing operations amounted after the first three quarters of 2010 to € 96.2 million (€ 79.4 million). Significant cash flows in this respect result from our deposit business with our clients and from the investment of these funds. The changes in the receivables from and liabilities due to clients in the banking business result in a positive change of € 104.6 million which is primarily due to an increase in deposit business with our clients by € 61.2 million. In the comparative period of the previous year our deposit business with our clients declined. Other significant cash flows arise from the negative change in the receivables from and the liabilities due to banks in the banking business amounting to € 92.9 million, which are primarily influenced by the fall in receivables from banks of € 60.4 million (comparative period of the previous year € –151.5 million).

Cash flow from investing activities in the continuing operations changed from € 34.3 million to € –53.2 million. Here, cash was invested in securities during the period under review. In the comparative period of the previous year, matured term deposits were not reinvested.

Our cash flow from financing activities in the continuing operations contains the dividend payment as well as outflows from the repayments of loans.

After the first nine months the Group's total liquid funds stood at € 197 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.

Capital measures

No capital measures were undertaken during the period under review.

[Table 06]
Number of employees

	Sept 30, 2010	Sept 30, 2009
Financial services	1,398	1,513
Feri	249	265
Holding	13	11
Total	**1,660**	**1,789**

Investments

During the period under review we invested a total of € 3.2 million, corresponding to a decrease of 11.1 % compared to the previous year. Around 81.0 % of this figure was allocated to the financial services sector – mainly for software as well as operating and office equipment (including hardware). A significant portion of the funds was allocated to projects designed to improve IT support for client consulting activities. All investments were financed from current cash flows.

GENERAL STATEMENT ON THE BUSINESS DEVELOPMENT

In the third quarter MLP further expanded its growth in earnings and again generated growth in revenue. In this respect, revenue rose across almost all the consulting areas, whilst earnings continued to benefit from the on-going and successful cost management programme. MLP also achieved further growth in Assets under Management - which climbed to a new record high - as well as generating growing momentum in new client acquisition.

PERSONNEL

The number of employees reduced further during the period under review. At September 30, 2010 the MLP Group had a total of 1,660 employees, corresponding to a reduction of 129 people compared to September 30, 2009. Without taking the number of marginal part-time employees into account, the figure decreased by 75 to 1,459. This reduction includes 55 employees who, due to the outsourcing of our IT area in the second half of 2009, were offered the opportunity to become employees of our IT partner Hewlett-Packard (HP). In the third quarter the number of employees fell by 22. The development of personnel expenses is shown in the section „Results of operation“, page 9.

In March of the current financial year MLP 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, confirmed our outstanding corporate and employee culture with an excellent score for image, work-life balance and employee remuneration.

COMMUNICATION AND MARKETING ACTIVITIES

Since July of this year MLP has been presenting its partner and product selection process on its internet site at www.mlp-beratungsqualitaet.de (German only). Visitors can view a short film which shows how MLP regularly identifies the highest quality products and partner organisations from the broad range of market offerings – which MLP consultants can access and utilise during their individual consultation meetings with their clients. As an independent financial services and wealth management consulting company, MLP is not tied to specific product partners and is able to make its selections based entirely on qualitative criteria.

In August MLP presented its new Internet website. Through the newly designed pages we offer numerous multimedia applications and an extended range of services for clients, journalists and investors. In addition to gaining access to complex financial topics that are explained in a clear and easy-to-understand way at www.mlp.com, users can also quickly find their way to view other relevant topics thanks to the clear page structure and layout and the intuitive navigation. The likewise newly designed corporate website www.mlp-ag.com reflects the Group structure that has been further developed in recent years and which positions MLP as a broad-based consulting house for private and corporate clients.

LEGAL CORPORATE STRUCTURE AND EXECUTIVE BODIES

During the period under review there was a change in the composition of the Executive Board. Mr. 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 Mr. Manfred Bauer as his successor. He joined the Executive Board on May 1, 2010 and carries 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 concerning 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 et seq. of the Annual Report 2009.

Financial services segment

Total revenue in the financial services segment in the first nine months of 2010 amounted to € 319.9 million, corresponding to an increase of 0.2 %. Earnings before interest and tax (EBIT) totalled € 19.5 million and was thus 7.1 % lower than in the comparative period of the previous year. The fixed costs (personnel expenses, depreciation, amortisation and impairment and other operating expenses) decreased by € 3.0 million to € 176.7 million. Commission expenses rose by 7.5 % to € 117.3 million. The financial result improved from € –1.7 million to € –0.6 million, but was not enough to fully compensate for the increase in total expenses. This led to earnings before tax (EBT) of € 19.0, which was also below the previous year (€ 19.3 million).

The development of total revenue in the third quarter did not significantly differ from the development in the nine-month period. Here too, we recorded a marginal increase of 0.2 % to € 105.6 million. However, as in the second quarter, we were able to halt the negative earnings development from the first quarter. Although the commission expenses in the third quarter rose by 9.7 % similarly to the overall period under review, MLP did manage to reduce the fixed costs by 6.8 % to € 55.1 million thanks to its on-going cost reduction programme. This led to earnings before interest and tax (EBIT) of € 8.3 million (€ 7.1 million). Due to slightly improved finance costs, earnings before tax (EBT) thus rose by 18.8 % to € 8.2 million.

[Figure 08]
Total revenue and EBIT for the Feri segment (in € million)

Feri segment

Very pleasing business development was achieved in the Feri segment during the first nine months of the current financial year. Total revenue increased by 8.3 % to € 28.8 million. Earnings before interest and tax (EBIT) improved significantly by € 3.7 million from € –2.2 million to € 1.5 million – a figure that was partly attributable to the increase in total revenue as well as, in particular, to the reduction in personnel expenses from € 19.1 million to € 17.5 million. After consideration of an unchanged financial result of € –0.1 million, earnings before tax (EBT) amounted to € 1.4 million (€ –2.3 million).

The trend from the previous quarters also continued in the third quarter. Due to rising total revenue and slightly reduced costs we were able to significantly improve the balanced earnings before interest and tax (EBIT) from the previous year to € 1.5 million. The financial result remained almost unchanged, thus leading to an improvement in earnings before tax (EBT) from € –0.1 million to € 1.4 million.

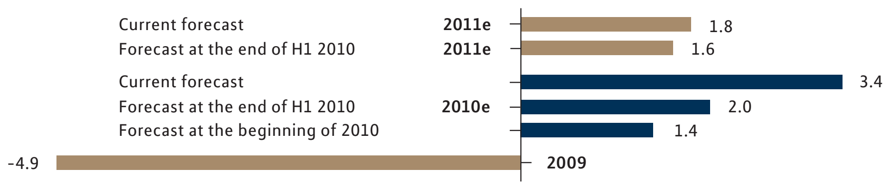
Holding segment

The earnings situation in the Holding segment improved significantly during the period under review. Although total revenue fell from € 10.0 million to € 9.2 million, total expenses decreased by € 3.9 million to € 13.2 million. This was mainly attributable to the reduction in other operating expenses by € 4.5 million. In the previous year this item contained expenses for one-off consulting costs of € 2.9 million concerning the holding in MLP acquired by Swiss Life in 2008. Earnings before interest and tax (EBIT) thus amounted to € –4.1 million (€ –7.1 million). The financial result in the segment was € 1.5 million (€ 3.8 million). The decrease was primarily due to the lower than the previous year dividend payment by our subsidiary Feri Finance AG amounting to € 0.9 million (€ 3.1 million) in the first quarter of 2010. Despite this, earnings before tax (EBT) improved from € –3.3 million to € –2.6 million.

The third quarter was unable to contribute to the overall positive development during the nine months of the period under review. Total revenue fell (–9.4 %) and total expenses remained unchanged. This led to a fall in earnings before interest and tax (EBIT) of € 0.3 million. As the financial result also fell by € 0.3 million, earnings before tax (EBT) amounted to € –0.3 million (€ 0.4 million).

[Figure 09]

Expected economic growth in Germany (in %)



Source: German Federal Bank, OECD, German Federal Government

RISK REPORT

There were no significant changes in the risk situation of the MLP Group during the period under review. Even in the aftermath of the financial and economic crisis there were no exceptional burdens within the framework of our counterparty default risks, market price risks, liquidity risks, operational or other risks. The MLP Group has adequate liquid funds. At the reporting date on September 30, 2010 our core capital ratio amounted to 21.7 % and continued to far exceed the 8 % level prescribed by the supervisory body. At the present time, no existence threatening risks to the MLP Group have been identified.

A detailed presentation of our corporate risks as well as a detailed description of our risk management are contained in our risk and disclosure report on pages 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 et seq.

OUTLOOK FOR THE CURRENT FINANCIAL YEAR/FORECAST

Future macroeconomic situation

In the current financial year, the German economy – in which MLP generates almost 100 % of its revenue – has recovered surprisingly rapidly from the sharp economic decline of the previous year. Particularly the strong growth in the second quarter of 2010 has led to significant upward revisions of growth expectations. Whereas at the end of the second quarter, the German government was still forecasting economic growth of 2 % for 2010, this figure has now been upgraded to 3.4 %. For 2011 the federal government has also raised its forecast from 1.6 % to 1.8 %. In view of these optimistic future expectations, the still existent risks for the macroeconomic development have been pushed into the background. The financing problems of some of the EU states, the imbalances in global trade and possible currency disputes could dampen the dynamic development in Germany.

The favourable economic development will continue to positively influence the labour market and the development of salary and wages in Germany. The unemployment figure is likely to fall below the 3-million level during the course of the fourth quarter and is expected to average just over 2.8 million during 2011. Furthermore, the demands for significant wage and salary increases currently being voiced by the trade unions point towards rising disposables incomes.

This favourable macroeconomic scenario should have a fundamentally positive effect on the business development of MLP. Job security and the prospect of rising income provide positive stimulus for our private client business. However, it remains to be seen whether this applies to the observed continuing hesitancy on the part of investors with respect to long-term savings processes in the area of old-age provision (see also section on "Old-age provision", page 6).

Future situation within the industry and competition

A description of the framework conditions for our most important markets – old-age provision, health insurance and wealth management – is contained in our Annual Report 2009 on pages 84 et seq. During the first nine months of 2009 there were no significant changes to the overall situation.

From a medium to long-term perspective, we continue to expect rising demand for old-age provision products - a view which is primarily based on the demographic development in Germany. Rising life expectancy and the increasing number of people in the age group over 65 are leading to a reduction of benefits from the state pension scheme. This pension gap should be bridged through increased occupational and private old-age provision.

We also see growth potential in the health insurance area. The announced reform of the healthcare system due to come into effect on January 1, 2011 has heightened public awareness of the fact that the system can, in future, only remain financeable through further premium increases together with further reductions in the treatments and services offered. This makes a transfer to private healthcare insurance or supplementary healthcare insurance more attractive. In addition, the government has decided to abolish the three-year waiting period for transfer from a state-run healthcare insurance fund to a private healthcare insurer from January 1, 2011 – a step that increases the potential for new clients in the coming year.

Wealth management also represents a growth market. In the past 10 years, for example, the monetary assets of German citizens, even after taking the losses of the recent financial crisis into account, have grown on average by 2.8 %. In addition to market growth our existing client base also offers considerable potential. Here we aim to significantly increase penetration rates with wealth management concepts for private clients developed by our subsidiary Feri Finance AG which we acquired in 2006. Furthermore the winning of new wealth management mandates in the institutional client business offers further prospects for growth.

[Table 07]
Anticipated development of revenue from 2010 – 2012

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

As already described in the section “Competition” (page 8) we expect to see the introduction of further regulatory changes concerning the sale of financial services. Following the adoption by the government of the draft legislation pertaining to investor protection in September, the further regulation of the industry is taking shape. Whereas institutes with a banking licence - such as MLP - are subject to supervision by the Federal Financial Supervisory Authority (BaFin), it is planned that brokers of closed-end funds will, in future, be supervised by the trade licensing offices. That would be a disservice to investor protection, as the trade licensing offices adopt a significant laxer approach to monitoring and supervision as well as having fewer possibilities for applying sanctions. According to announcements, the initiation of further new regulatory measures can be expected during the coming months. Many market participants will find it difficult to keep pace with the stricter requirements. Furthermore we anticipate that competition will further intensify with respect to securing the services of qualified financial consultants.

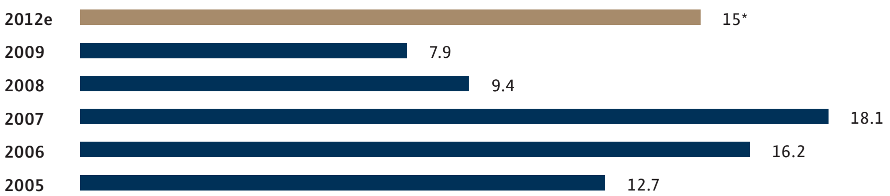
Anticipated business development

Traditionally, the fourth quarter, particularly the last few weeks of the year, has a significant influence on the full-year performance of MLP. Despite the positive development in the past few quarters and the favourable economic environment, the German private client market as well as the corporate client business remains challenging. However, the business in October further improved compared to the third quarter, and we expect to see a further pick-up during the coming weeks.

At the start of the year, and due to the difficult market environment, we only issued a qualitative forecast for our revenue development up to 2012. In our core areas of old-age provision and health insurance we expected stable revenue development in the current financial year despite the persistence of difficult framework conditions. In 2011 and 2012 – in an improving macroeconomic environment – we intended to return to a growth path in those areas. In wealth management however, we already expected to achieve moderate revenue growth in the current financial year which was expected to continue during the following two years.

In view of the better than expected business development in health insurance during the first nine months, we are slightly modifying our estimates after the end of the third quarter. In our health insurance business we now anticipate that we can achieve higher revenue in this year. For the other two areas of old-age provision and wealth management the original forecast of stagnating or slightly rising revenue remains unchanged. Our estimates for 2011 and 2012 also remain unchanged – here we continue to expect moderate revenue increases in each of the three areas.

[Figure 10]
Development of the EBIT margin from 2005 – 2012 (all figures in %)



* Before acquisitions and one-offs

In addition to ensuring full exploitation of revenue potential, MLP will 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, amortisation and impairment and other operating expenses; without one-off effects and before acquisition-related cost increases) by € 10 million.

A further objective that MLP has set itself is to return to its accustomed strong level of profitability and to almost double the EBIT margin to 15 % by the end of 2012 (full year 2009: 7.9 %).

Opportunities

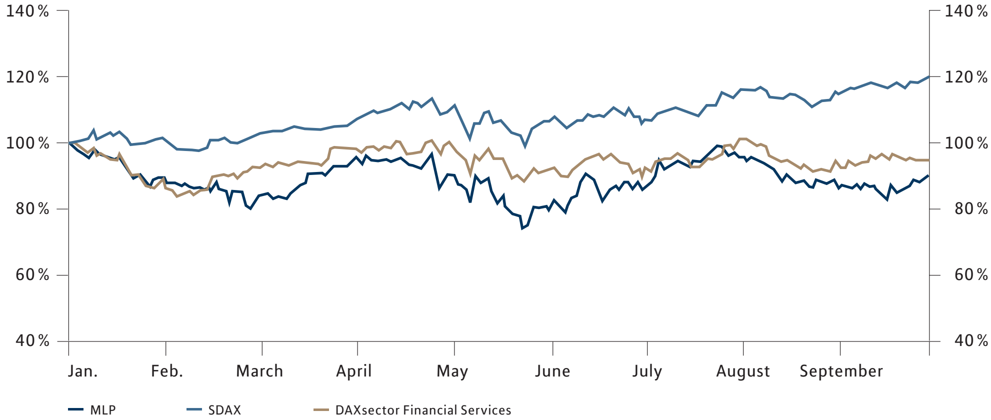
Significant changes to the opportunities resulting from the framework conditions, corporate-strategic opportunities or business opportunities did not occur during the period under review. Relevant detailed explanations are contained in the Annual Report 2009 on page 93 f.

EVENTS SUBSEQUENT TO THE REPORTING DATE

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]
MLP share, SDAX and DAXsector Financial Services in the first nine months 2010



Source: Deutsche Börse

Development in the stock markets

The development in the stock markets during the period under review was mixed. Although large benchmark indices such as the American Dow Jones Industrial Average or the DAX rose by just 1.9 % and 3.0 % respectively in the nine-month period, the SDAX smaller companies index climbed by 20.6 %. Whereas the sluggish advancement of the Dow Jones was linked to the very slowly recovering US economy, the differing development of the DAX and SDAX can be explained by their respective index composition. Compared to the SDAX, the DAX has a significantly higher weighting of financial companies. However, the performance of these shares was considerably weaker than those of the industrial companies – an aspect which is clearly illustrated by the 5.5 % fall in the DAXsector Financial Services index. The SDAX performance is therefore a much more accurate reflection of the very positive development of the German economy.

[Table 08]

Key figures of the MLP share

	9 months 2010	9 months 2009
Share price at the beginning of the quarter/year	€ 7.31	€ 9.80
Share price high	€ 8.27	€ 10.98
Share price low	€ 6.21	€ 5.25
Share price at the end of the quarter/year	€ 7.47	€ 8.06
Dividend for the previous year	€ 0.25	€ 0.28
Market capitalisation (end of reporting period)	€ 806,925,480.24	€ 869,494,568.28

The MLP share

During the period under review the MLP share was unable to escape the overall development of the industry index for financial companies – the DAXsector Financial Services index – falling by 9.7 % by the end of the period. In the first nine months of this year the MLP share price ranged between € 8.27 at the beginning of the year and a low of € 6.21 at the end of May. The closing price at the end of September 2010 was € 7.47. Compared to the closing price of the half-year the share showed a modest rise of 2.33 %.

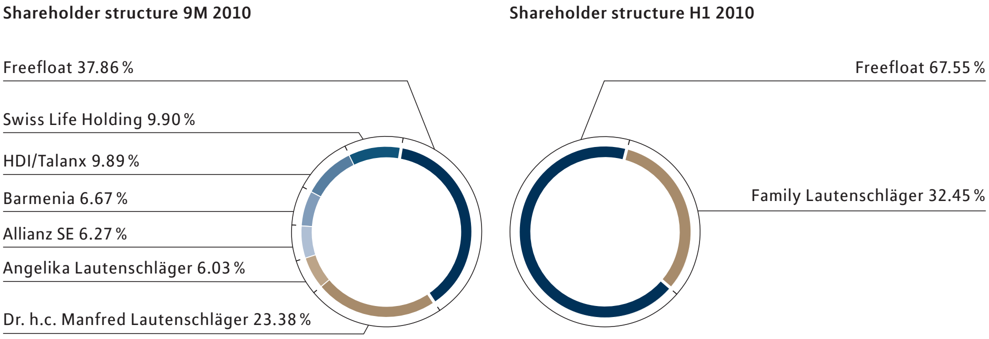
Further information concerning the MLP share is available from our Investor Relations page on the MLP website at www.mlp-ag.com under the heading "MLP share".

MLP share now listed on the SDAX

On June 21, 2010 the MLP share moved from the MDAX to the SDAX, due primarily to the change in the shareholder structure since the second half-year of 2008 and to the associated reduction in the free float (portion of freely tradable shares of the share capital). The change in the shareholder structure occurred as result of the securing of the Group's independence through important anchor shareholders.

[Figure 12]

MLP shareholder structure



As at September 30, 2010*

As at June 30, 2008*

* Definition free float Deutsche Börse

Award-winning MLP Annual Report 2009

For another consecutive year MLP achieved one of the top scores in the "The Best Annual Report" award issued by the publication "manager magazine". In the overall assessment MLP improved from 71.97 points in the previous year to 74.80 points (out of a possible 100) and achieved first place in the financial services industry. In the league of all companies in the MDAX – on which MLP was listed until June 2010 – MLP achieved 4th position (previous year: 3rd). Each year, under the scientific leadership of Prof. Baetge, "manager magazine" analyses the annual reports of the major German stock market-listed companies and presents awards to those companies that report comprehensively and reliably to their investors.

New MLP website

MLP's newly designed Internet site was activated in August 2010 and offers clients, journalists and investors an extended range of services. The Investor Relations pages of the site provide visitors with information about the MLP Group as well as the MLP share. In addition, visitors can keep themselves up to date with new developments at MLP and within the industry via twitter (http://twitter.com/MLP_AG; German only).

The Investor Relations area can be accessed at: www.mlp-ag.com/investor-relations

Income statement and statement of comprehensive income

[Table 09]

Income statement for the period from January 1 to September 30, 2010

All figures in €'000	Notes	3rd quarter 2010	3rd quarter 2009[1]	9 months 2010	9 months 2009[1]
Revenue	(5)	111,001	109,438	332,253	330,236
Other revenue		5,041	4,473	16,596	15,068
Total revenue		**116,043**	**113,910**	**348,849**	**345,304**
Commission expenses		−40,888	−37,145	−118,364	−109,870
Interest expenses		−2,046	−2,372	−7,103	−9,897
Personnel expenses	(6)	−24,399	−26,010	−77,612	−82,995
Depreciation and amortisation		−3,965	−4,541	−12,132	−13,720
Other operating expenses	(7)	−36,476	−37,649	−117,408	−117,358
Earnings from shares accounted for using the equity method		417	101	780	257
Earnings before interest and tax (EBIT)		**8,686**	**6,296**	**17,009**	**11,722**
Other interest and similar income		1,840	2,131	5,261	6,719
Other interest and similar expenses		−1,165	−1,100	−5,296	−7,778
Finance cost	(8)	**675**	**1,031**	**−35**	**−1,059**
Earnings before tax (EBT)		**9,361**	**7,327**	**16,974**	**10,663**
Income taxes		−2,515	−2,758	−5,059	−6,535
Earnings from continuing operations after tax		**6,846**	**4,569**	**11,915**	**4,127**
Earnings from discontinued operations after tax		**348**	**−388**	**537**	**−6,408**
Net profit		**7,194**	**4,181**	**12,452**	**−2,280**
Of which attributable to					
owners of the parent company		7,194	4,181	12,452	−2,280
Earnings per share in €[2]					
From continuing operations					
basic		0.06	0.04	0.11	0.04
diluted[3]		0.06	0.04	0.11	0.04
From continuing and discontinued operations					
basic		0.07	0.04	0.12	−0.02
diluted[3]		0.07	0.04	0.12	−0.02

[1] Previous year's value adjusted. The adjustments are disclosed under note 3

[2] Basis of calculation: Average number of shares at September 30, 2010: 107,877,738, potential shares (convertible debentures): 454,028

[3] 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 September 30, 2010

All figures in €'000	3rd quarter 2010	3rd quarter 2009[1]	9 months 2010	9 months 2009[1]
Net profit	**7,194**	**4,181**	**12,452**	**−2,280**
Other comprehensive income				
Securities marked to market	243	−481	2,598	−1,455
Tax expense	−57	−31	−139	−73
Other comprehensive income after tax	**187**	**−512**	**2,459**	**−1,528**
Total comprehensive income for the year	**7,381**	**3,669**	**14,911**	**−3,808**
Total comprehensive income attributable to				
owners of the parent company	7,381	3,669	14,911	−3,808

[1] Previous year's value adjusted. The adjustments are disclosed under note 3

Consolidated statement of financial position

[Table 11]

Assets as at September 30, 2010

All figures in €'000	Notes	Sept 30, 2010	Dec 31, 2009
Intangible assets		150,466	156,138
Property, plant and equipment		75,655	78,781
Investment property		11,245	11,432
Shares accounted for using the equity method		2,424	2,013
Deferred tax assets		2,473	2,969
Receivables from clients in the banking business		338,810	313,494
Receivables from banks in the banking business	(9)	437,794	498,201
Financial investments	(10)	256,388	192,389
Tax refund claims		17,995	33,059
Other accounts receivable and other assets	(11)	94,881	132,088
Cash and cash equivalents		48,775	54,968
Total		**1,436,906**	**1,475,532**

[Table 12]

Liabilities and shareholders' equity as at September 30, 2010

All figures in €'000	Notes	Sept 30, 2010	Dec 31, 2009
Shareholders' equity	(12)	406,473	418,532
Provisions		46,199	52,383
Deferred tax liabilities		11,134	10,668
Liabilities due to clients in the banking business		811,457	750,282
Liabilities due to banks in the banking business		16,619	20,774
Tax liabilities		1,336	9,029
Other liabilities	(11)	143,688	211,816
Liabilities in connection with non-current assets held for sale and disposal groups		–	2,049
Total		**1,436,906**	**1,475,532**

Condensed statement of cash flows

[Table 13]

Condensed statement of cash flows for the period from January 1 to September 30, 2010

All figures in €'000	9 months 2010	9 months 2009[1]
Cash flow from operating activities	93,019	79,599
Cash flow from investing activities	–53,224	34,242
Cash flow from financing activities	–29,645	–31,047
Change in cash and cash equivalents	**10,150**	**82,794**
Cash and cash equivalents at the end of the period	**133,775**	**121,241**

Thereof discontinued operations

All figures in €'000	9 months 2010	9 months 2009[1]
Cash flow from operating activities	–3,146	155
Cash flow from investing activities	–	–50
Cash flow from financing activities	–	–
Change in cash and cash equivalents	**–3,146**	**105**
Cash and cash equivalents at the end of the period	**–**	**562**

[1] Previous year's value adjusted. The adjustments are disclosed under note 3

[Table 14]

Condensed statement of cash flows for the period from July 1 to September 30, 2010

All figures in €'000	3rd quarter 2010	3rd quarter 2009[1]
Cash flow from operating activities	15,037	13,710
Cash flow from investing activities	22,647	–26,379
Cash flow from financing activities	–504	–819
Change in cash and cash equivalents	**37,180**	**–13,488**
Cash and cash equivalents at the end of the period	**133,775**	**121,241**

Thereof discontinued operations

All figures in €'000	3rd quarter 2010	3rd quarter 2009[1]
Cash flow from operating activities	–85	–214
Cash flow from investing activities	–	–
Cash flow from financing activities	–	–
Change in cash and cash equivalents	**–85**	**–214**
Cash and cash equivalents at the end of the period	**–**	**562**

[1] Previous year's value adjusted. The adjustments are disclosed under note 3

Statement of changes in equity

[Table 15]

	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[1]	–	–	–	–3,197	–3,197
As at Jan 1, 2009 (adjusted)	**107,861**	**142,084**	**–97**	**176,081**	**425,928**
Dividend	–	–	–	–30,201	–30,201
Exertion of conversion rights	17	100	–	–	117
Transactions with owners	**17**	**100**	**–**	**–30,201**	**–30,084**
Total comprehensive income	–	–	–1,528	–2,280	–3,808
As at Sept 30, 2009	**107,878**	**142,184**	**–1,625**	**143,599**	**392,036**
As at Jan 1, 2010	**107,878**	**142,184**	**–1,573**	**170,044**	**418,532**
Dividend	–	–	–	–26,969	–26,969
Transactions with owners	**–**	**–**	**–**	**–26,969**	**–26,969**
Total comprehensive income	–	–	2,459	12,452	14,911
As at Sept 30, 2010	**107,878**	**142,184**	**886**	**155,527**	**406,473**

[1] See note 3

Notes to the consolidated financial statements

[Table 16]

Segment reporting (quarterly comparison)

	FINANCIAL SERVICES		FERI	
All figures in €'000	3rd quarter 2010	3rd quarter 2009[1]	3rd quarter 2010	3rd quarter 2009
Revenue	102,400	101,691	8,716	7,778
of which total inter-segment revenue	70	32	45	–
Other revenue	3,204	3,699	1,785	1,086
of which total inter-segment revenue	441	636	–	–
Total revenue	**105,604**	**105,390**	**10,501**	**8,864**
Commission expenses	–40,579	–36,970	–354	–134
Interest expenses	–2,046	–2,372	–	–
Personnel expenses	–17,501	–19,101	–5,799	–6,017
Depreciation/amortisation and impairment	–2,646	–3,120	–562	–608
Other operating expenses	–34,952	–36,864	–2,287	–2,138
Earnings from shares accounted for using the equity method	417	101	–	–
Segment earnings before interest and tax (EBIT)	**8,296**	**7,065**	**1,499**	**–33**
Other interest and similar income	74	97	–	–
Other interest and similar expenses	–173	–243	–78	–19
Finance cost	**–99**	**–146**	**–78**	**–19**
Earnings before tax (EBT)	**8,197**	**6,919**	**1,421**	**–52**
Income taxes				
Earnings from continuing operations after tax				
Earnings from discontinued operations after tax	**348**	**–1,151**	–	–
Net profit				

[1] Previous year's value adjusted. The adjustments are disclosed under note 3

	HOLDING		CONSOLIDATION/OTHER		TOTAL	
	3rd quarter 2010	3rd quarter 2009	3rd quarter 2010	3rd quarter 2009[1]	3rd quarter 2010	3rd quarter 2009[1]
	–	–	–115	–32	111,001	109,438
	–	–	–115	–32	0	0
	2,937	3,169	–2,884	–3,481	5,041	4,473
	2,443	2,845	–2,884	–3,481	0	0
	2,937	**3,169**	**–2,998**	**–3,513**	**116,043**	**113,910**
	–	–	45	–42	–40,888	–37,145
	–	–	1	1	–2,046	–2,372
	–1,098	–892	–	–	–24,399	–26,010
	–757	–813	–	–	–3,965	–4,541
	–2,188	–2,262	2,950	3,615	–36,476	–37,649
	–	–	–	–	417	101
	–1,106	**–798**	**–3**	**61**	**8,686**	**6,296**
	1,770	2,038	–5	–4	1,840	2,131
	–920	–841	7	3	–1,165	–1,100
	850	**1,196**	**2**	**–1**	**675**	**1,031**
	–256	**399**	**–1**	**60**	**9,361**	**7,327**
					–2,515	–2,758
					6,846	**4,569**
	–	–	–	764	348	–388
					7,194	**4,181**

[Table 17]

Segment reporting (nine-month comparison)

	FINANCIAL SERVICES		FERI	
All figures in €'000	9 months 2010	9 months 2009[1]	9 months 2010	9 months 2009
Revenue	308,204	307,888	24,360	22,583
of which total inter-segment revenue	173	114	139	122
Other revenue	11,673	11,506	4,418	4,028
of which total inter-segment revenue	1,344	1,879	–	–
Total revenue	**319,877**	**319,394**	**28,778**	**26,611**
Commission expenses	–117,317	–109,069	–1,162	–843
Interest expenses	–7,105	–9,899	–	–
Personnel expenses	–56,691	–61,332	–17,539	–19,109
Depreciation/amortisation and impairment	–8,116	–9,439	–1,740	–1,836
Other operating expenses	–111,884	–108,895	–6,809	–7,038
Earnings from shares accounted for using the equity method	780	257	–	–
Segment earnings before interest and tax (EBIT)	**19,543**	**21,016**	**1,528**	**–2,215**
Other interest and similar income	261	774	2	18
Other interest and similar expenses	–813	–2,486	–104	–98
Finance cost	**–552**	**–1,712**	**–101**	**–80**
Earnings before tax (EBT)	**18,991**	**19,305**	**1,426**	**–2,295**
Income taxes				
Earnings from continuing operations after tax				
Earnings from discontinued operations after tax	**537**	**–8,395**	**–**	**–**
Net profit				
	Sept 30, 2010	Dec 31, 2009	Sept 30, 2010	Dec 31, 2009
Segment assets	**1,069,172**	**1,094,592**	**102,145**	**105,626**

[1] Previous year's value adjusted. The adjustments are disclosed under note 3

HOLDING		CONSOLIDATION/OTHER		TOTAL	
9 months 2010	9 months 2009	9 months 2010	9 months 2009[1]	9 months 2010	9 months 2009[1]
–	–	−311	−235	332,253	330,236
–	–	−311	−235	0	0
9,188	9,979	−8,683	−10,445	16,596	15,068
7,338	8,566	−8,683	−10,445	0	0
9,188	**9,979**	**−8,994**	**−10,680**	**348,849**	**345,304**
–	–	116	43	−118,364	−109,870
–	–	2	3	−7,103	−9,897
−3,382	−2,554	–	–	−77,612	−82,995
−2,275	−2,445	–	–	−12,132	−13,720
−7,586	−12,073	8,870	10,648	−117,408	−117,358
–	–	–	–	780	257
−4,055	**−7,092**	**−6**	**13**	**17,009**	**11,722**
6,014	9,355	−1,017	−3,428	5,261	6,719
−4,552	−5,533	173	338	−5,296	−7,778
1,462	**3,822**	**−845**	**−3,090**	**−35**	**−1,059**
−2,593	**−3,271**	**−851**	**−3,076**	**16,974**	**10,663**
				−5,059	−6,535
				11,915	**4,127**
–	**–**	**–**	**1,987**	**537**	**−6,408**
				12,452	**−2,280**
Sept 30, 2010	Dec 31, 2009	Sept 30, 2010	Dec 31, 2009	Sept 30, 2010	Dec 31, 2009
467,824	**513,831**	**−202,236**	**−238,517**	**1,436,906**	**1,475,532**

(1) Information about the company

The consolidated financial statements were prepared by MLP AG, Wiesloch, Germany, the 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 exceptions 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 of 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 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) Adjustments to the accounting policies

The accounting policies applied are the same as those used in the financial statements at December 31, 2009 except the standards and interpretations to be used for the first time in the financial year 2010.

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 2009 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 18]

All figures in €'000	9 months 2009 adjusted	9 months 2009 as reported	+/–	of which error correction	of which business acquisition (ppa)
Total revenue	**345,304**	**345,304**	**–**	**–**	**–**
Depreciation/amortisation and impairment	–13,720	–13,046	–674	–	–674
Other operating expenses	–117,358	–116,835	–523	–523	–
Earnings before interest and tax (EBIT)	**11,722**	**12,919**	**–1,196**	**–523**	**-674**
Finance cost	**–1,059**	**–1,059**	**–**	**–**	**–**
Earnings before tax (EBT)	**10,663**	**11,859**	**–1,196**	**–523**	**–674**
Income taxes	–6,535	–6,895	359	153	206
Earnings from continuing operations after tax	**4,127**	**4,965**	**–837**	**–370**	**–467**
Earnings from discontinued operations after tax	**–6,408**	**–6,408**	**–**	**–**	**–**
Net profit (total)	**–2,280**	**–1,443**	**–837**	**–370**	**–467**

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

- IFRS 2 "Share-based payment"
- Improvement to IFRSs 2009
- IFRS 1 "Additional exemption for first-time adopters"
- IFRS 7 "Financial instruments: disclosures"
- IFRIC 14 "Prepayments of a minimum funding requirements"
- IAS 24 "Related party disclosures"
- IFRIC 19 "Extinguishing financial liabilities with equity instruments"

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 nine months 2010 MLP allocated € 3,146 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 nine months 2009, € 57 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 the business operations

The discussion about the healthcare reform, which comes into effect on January 1, 2011, was benefical to the business development in the health insurance market. In the area of old-age provision, the effects of the financial crisis continued to prevail. Due to seasonal influences on its business operations, the Group anticipates a higher level of net profit from continuing operations in the fourth quarter than was achieved in the previous quarters.

(5) Revenue

[Table 19]

All figures in €'000	3rd quarter 2010	3rd quarter 2009	9 months 2010	9 months 2009
Old-age provision	64,149	65,066	182,717	188,019
Wealth management	19,963	18,682	57,090	51,751
Health insurance	12,827	10,362	39,432	33,149
Non-life insurance	3,724	3,493	23,901	22,164
Loans and mortgages	3,155	3,463	7,900	7,960
Other commission and fees	782	929	2,366	2,426
Commission and fees	**104,600**	**101,994**	**313,405**	**305,468**
Interest income	**6,401**	**7,443**	**18,848**	**24,768**
Total	**111,001**	**109,438**	**332,253**	**330,236**

(6) Personnel expenses/Number of employees

Personnel expenses decreased from € 82,995 thsd to € 77,612 thsd. The decrease is primarily due to the decline of the number of employees.

At September 30, 2010, the MLP Group had the following numbers of employees in the strategic fields of business.

[Table 20]

	Sept 30, 2010		Sept 30, 2009	
		of which part-time employees		of which part-time employees
Financial services	1,398	137	1,513	188
Feri	249	63	265	66
Holding	13	1	11	1
Total	**1,660**	**201**	**1,789**	**255**

(7) Other operating expenses

[Table 21]

All figures in €'000	3rd quarter 2010	3rd quarter 2009[1]	9 months 2010	9 months 2009[1]
IT operations	12,441	11,332	35,754	31,694
Rental and leasing	3,506	4,618	11,951	13,548
Administration operations	3,510	3,502	10,671	10,706
Consultancy	2,533	2,952	10,333	13,180
External services – banking business	2,223	1,959	5,866	6,129
Representation and advertising	1,527	3,138	5,036	7,948
Depreciation/impairment on other accounts receivable and other assets	1,243	1,806	4,720	3,788
Expenses for commercial agents	1,086	1,279	3,757	3,624
Premiums and fees	1,101	1,239	3,757	4,277
Training and further training	894	593	3,499	3,330
Depreciation/impairment on receivables from clients in the banking business	800	860	2,971	2,132
Travel expenses	1,007	1,025	2,841	3,749
Insurance	583	486	2,398	1,993
Entertainment	626	557	2,268	2,529
Maintenance	499	381	1,302	1,247
Audit	284	251	884	766
Other personnel costs	289	232	866	877
Expenses from currency translation	17	-10	53	41
Expenses from disposal of assets	10	33	38	289
Sundry other operating expenses	2,299	1,417	8,443	5,510
Total	**36,476**	**37,649**	**117,408**	**117,358**

[1] 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 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 expenses for representation and advertising include costs for media presence and client information. 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 expenses mainly consist of external services, car costs, donations and specialist literature.

[Table 22]

(8) Finance cost

All figures in €'000	3rd quarter 2010	3rd quarter 2009	9 months 2010	9 months 2009
Other interest and similar income	**1,840**	**2,131**	**5,261**	**6,719**
Interest from financial instruments	–853	–953	–4,359	–7,338
Accrued interest on pension provisions	–312	–147	–937	–440
Other interest and similar expenses	**–1,165**	**–1,100**	**–5,296**	**–7,778**
Finance cost	**675**	**1,031**	**–35**	**–1,059**

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) as well as to the absence of interest charges on tax liabilities that were incurred in the previous year as a result of an audit. However, depreciation on financial investments amounted to € 1,236 thsd (previous year: € 0 thsd).

(9) Receivables from banks in the banking business

The reduction in receivables from banks, which fell from € 498,201 thsd to € 437,794 thsd, is mainly attributable to the profit transfer payment by MLP Finanzdienstleistungen AG to MLP AG.

[Table 23]

(10) Financial investments

All figures in €'000	Sept 30, 2010	Dec 31, 2009
Available for sale		
Debt securities and holdings in investment funds	38,113	33,424
Investments	3,448	3,398
Held-to-maturity securities	89,539	45,385
Loans and receivables	125,288	110,183
Total	**256,388**	**192,389**

The increase in financial investments is mainly attributable to the purchase of new securities.

(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 nine months of 2010.

(12) Shareholders' equity

Share capital

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

Dividend

In accordance with the resolution passed at the Annual General Meeting May 20, 2010 a dividend of € 26,969 thsd was to be paid for the financial year 2009. This corresponds to € 0.25 per share. For the financial year 2008 MLP AG distributed a dividend of € 0.28 per share in the second quarter 2009.

(13) Discontinued operations

The revenue and expenses from the discontinued operations are illustrated below.

[Table 24]

All figures in €'000	3rd quarter 2010	3rd quarter 2009	9 months 2010	9 months 2009
Revenue	–	1,602	–	4,913
Other revenue	–	25	–	151
Total revenue	**–**	**1,626**	**–**	**5,064**
Commission expenses	–	−440	–	−1,967
Personnel expenses	–	−1,331	–	−4,249
Depreciation and amortisation	–	-	–	−3
Other operating expenses	–	−431	–	−2,767
Earnings before interest and tax (EBIT)	**–**	**−576**	**–**	**−3,922**
Other interest and similar income	–	1	–	8
Other interest and similar expenses	–	–	–	−1
Finance cost	**–**	**1**	**–**	**7**
Earnings before tax (EBT)	**–**	**−575**	**–**	**−3,915**
Income taxes	–	−125	–	−41
Operating profit	**–**	**−700**	**–**	**−3,956**
Earnings from the sale of operations before tax	370	300	128	−1,020
Income taxes	−22	12	408	−1,431
Earnings from the sale of operations after tax	**348**	**312**	**537**	**−2,452**
Earnings from discontinued operations after tax	**348**	**−388**	**537**	**−6,408**
Earnings per share in €				
From discontinued operations				
basic	0.00	0.00	0.00	−0.06
diluted	0.00	0.00	0.00	−0.06

(14) Notes on 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 25]

All figures in €'000	Sept 30, 2010	Sept 30, 2009
Cash and cash equivalents	48,775	53,767
Cash and cash equivalents, contained in non-current assets held for sale and disposal groups	–	562
Loans < 3 months	85,000	70,000
Liabilities to banks due on demand	–	–3,088
Cash and cash equivalents	**133,775**	**121,241**

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. The starting point for the calculation of the cash flow from operating activities is 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 rose by € 13.4 million year on year to € 93.0 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 matured fixed term deposits were not reinvested.

The change of the cash flow from financing activities is mainly attributable 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

On the balance sheet reference date there are liabilities on account of sureties and warranties amounting to € 10,512 thsd (Dec 31, 2009: € 23,300 thsd) as well as irrevocable credit commitments of € 25,115 thsd (Dec 31, 2009: € 9,117 thsd).

Beyond this there were no significant changes compared to December 31, 2009.

(17) Related party disclosures

Compared to December 31, 2009 there were no significant changes.

(18) Events subsequent to the reporting reference date

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

Wiesloch, November 10, 2010

MLP AG

Executive Board

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

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Executive Bodies of MLP AG

Executive Board

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

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

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

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)

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Public Relations

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Financial calendar 2010

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

November 16
Commerzbank Corporate Day,
London

November 17
WestLB German Conference,
Frankfurt

December 1
Roadshow,
London

Financial calendar 2011

January 17–19
Cheuvreux German Conference,
Frankfurt

February 23
Annual press conference and analysts conference, Frankfurt

March 24
Publication of the Annual Report 2010

March 31
Bankhaus Lampe Capital Market Conference, Baden-Baden

May 12
Results for the 1st quarter 2011
(Publication of the financial interim report)

June 10
Annual General Meeting of MLP AG,
Mannheim

August 11
Results for the 2nd quarter 2011
(Publication of the financial interim report)

September 27–29
UniCredit German Conference,
Munich

November 10
Results for the 3rd quarter 2011
(Publication of the financial interim report)

Guidelines on consulting and supporting private clients

1. The client is our main focus.
2. MLP places great emphasis on selecting the right consultants.
3. All consultants receive thorough training and continue to attend regular training throughout their career.
4. Consultants‘ remuneration enables long-term client support.
5. A comprehensive portfolio and needs analysis is the starting point for all consultations.
6. MLP advises its clients with a long-term, holistic approach based on their individual needs.
7. Products are selected independently and based on objective criteria.
8. MLP clearly lays out the charges and services involved in its consulting.
9. Comprehensive documentation of the consultation offers clients clear added value.
10. MLP supports further development of the legal framework for financial advice.

More information at:
www.mlp-beratungsqualitaet.de (German only)

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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