Interim Group Report for the first nine months and for the third quarter 2011

MLP

MLP Group

MLP key figures

All figures in € million	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010	Change
Continuing operations					
Total revenue	116.3	116.0	356.5	348.8	2.2 %
Revenue	112.3	111.0	343.7	332.3	3.4 %
Other revenue	4.0	5.0	12.8	16.6	–22.9 %
Operating EBIT (before one-off exceptional costs)	6.5	8.7	18.7	17.0	10.0 %
Earnings before interest and tax (EBIT)	2.9	8.7	4.6	17.0	–72.9 %
EBIT margin (%)	2.5%	7.5%	1.3%	4.9%	–
Earnings from continuing operations	1.6	6.8	1.4	12.3	–88.6 %
Earnings per share (diluted) in €	0.02	0.06	0.01	0.11	–90.9 %
MLP Group					
Net profit (total)	1.7	7.2	2.0	12.5	–84.0 %
Earnings per share (diluted) in €	0.02	0.07	0.02	0.12	–83.3 %
Cash flow from operating activities	0.6	15.0	56.8	93.0	–38.9 %
Capital expenditure	2.3	0.9	4.1	3.2	28.1 %
Shareholders' equity	–	–	397.1	428.4 [1]	–7.3 %
Equity ratio	–	–	28.6 %	28.5 % [1]	–
Balance sheet total	–	–	1.390.7	1.505.4 [1]	–7.6 %
Clients [2]	–	–	785.500	774.500 [1]	1.4 %
Consultants [2]	–	–	2.160	2.273 [1]	–5.0 %
Branch offices [2]	–	–	179	192 [1]	–6.8 %
Employees	–	–	1.563	1.660	–5.8 %
Arranged new business [2]					
Old-age provisions (premium sum in € billion)	1.0	1.0	2.9	3.0	–3.3 %
Loans and mortgages	329	324	1,030	902	14.2 %
Assets under management in € billion	–	–	19.3 [3]	19.8 [1,3]	–2.5 %

[Table 01]

[1] As at December 31, 2010.
[2] Continuing operations.
[3] Calculated according to the method of the German Association of Investment and Asset Management (BVI).

Interim Group Report for the first nine months and the third quarter 2011

The first nine months and the third quarter 2011 at a glance:

- Total revenues increase in the first nine month by 2 % to € 356.5 million
- Operating EBIT (before exeptional costs) rises by 10 % to € 18.7 million
- Q3: Total revenues of € 116.3 million slightly above previous year's level (€ 116.0 million) despite the difficult market environment; upward trend in old-age provision continued
- Outlook: Operating EBIT margin to rise to 15 % in 2012

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Company Profile

MLP – THE LEADING INDEPENDENT CONSULTING COMPANY

MLP is Germany's leading independent consulting company. Supported by comprehensive research, the Group provides a holistic consulting approach that covers all economic and financial questions for private and corporate clients, as well as institutional investors. The key aspect of the consulting approach is the independence from insurance companies, banks and investment firms. The MLP Group manages total assets of more than € 19.3 billion and supports more than 785,500 private and over 4,000 corporate clients. The financial services and wealth management consulting company was founded in 1971 and holds a full banking licence.

The concept of the founders, which still remains the basis of the current business model, is to provide long-term consulting for academics and other discerning clients in the fields of old-age provision, financial investment, health insurance, non-life insurance, loans and mortgages and banking. Private individuals with assets above € 5 million and institutional clients benefit from extensive wealth management and consulting services as well as receiving economic forecasts and ratings provided by the subsidiaries of the Feri Group. Supported by its subsidiary TPC and the joint venture HEUBECK-FERI Pension Asset Consulting GmbH, MLP also provides companies with independent consulting and conceptual services in all issues pertaining to occupational pension schemes and remuneration as well as asset and risk management.

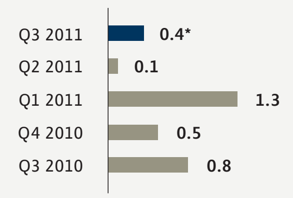
Interim Management Report for the first nine months and the third quarter 2011

MACROECONOMIC ENVIRONMENT

Following strong growth in the German economy in the first quarter 2011, the second quarter 2011 saw a significant weakening of this momentum. However, initial estimates suggest that the German economy grew more strongly again in the third quarter 2011. According to provisional calculations by the DIW (German Institute for Economic Research), the gross domestic product probably grew by 0.4 % in the third quarter of 2011. Strong order books in the construction and manufacturing industries contributed significantly to this positive economic development. The German labour market also benefitted from this growth momentum. At the end of the third quarter, the unemployment rate in Germany stood at 6.6 %, compared to 7.2 % one year ago.

The MLP Group, which generates almost 100 % of its total revenue in Germany, was able to partially benefit from the economic climate. In the first nine months of 2011, revenues in the health insurance business rose significantly and the wealth management area also slightly surpassed the level achieved in the previous year. Although MLP recorded a decrease in the old-age provision area on a nine-month basis, the decline was considerably smaller in the third quarter than in the first half-year.

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



* According to estimation of DIW 8/2011
Source: Federal Statistical Office, GDP adjusted for price

[Figure 01]

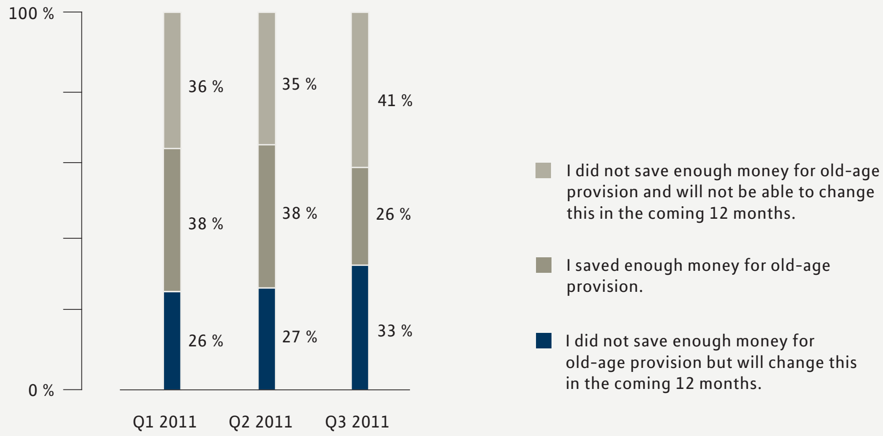
SITUATION WITHIN THE INDUSTRY AND THE COMPETITIVE ENVIRONMENT

Old-age provision

The old-age provision market in Germany continues to be influenced by the discussions concerning the effects of the debt crisis in Europe and the upheavals on the capital markets. Against this backdrop, many consumers remain hesitant with respect to the conclusion of long-term contracts for private and occupational pensions. However, surveys suggest that the willingness on the part of consumers with respect to old-age provision has recently risen again to some extent (see graph). According to figures released by the GDV (German Insurance Association) the premium sum for new business in the first nine months fell by around 2 % to € 106.4 billion.

At MLP, the premium sum in the period from January to September 2011 decreased slightly from € 3.0 billion to € 2.9 billion. However, there were signs of a slight improvement, particularly in the third quarter in which the premium sum amounted to € 1.0 billion and remained at the previous year's level (€ 1.0 billion).

Survey shows increasing willingness to focus on old-age provisions



Source: DIA, Deutschland-Trend-Vorsorge, 2011

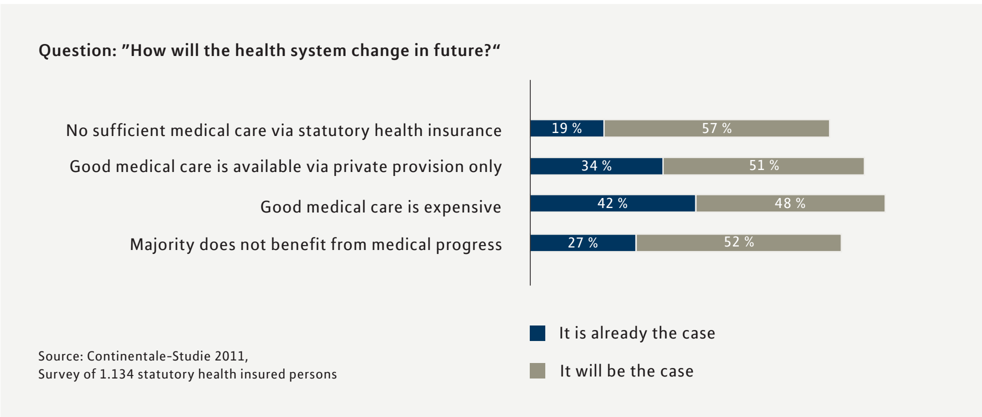
[Figure 02]

Health provision

In the third quarter of 2011 the private health insurance market in Germany continued to benefit from the legal framework changes which came into effect on January 1, 2011. Since the introduction of this legislation it has been easier for state healthcare system insurees to switch to private health insurance. Furthermore, the general uncertainty on the part of state healthcare system insurees with respect to the future scope of treatment and services led to greater willingness to opt for full private health insurance or supplementary healthcare cover (see graph).

This positive market environment is also reflected at MLP. In the first nine months of the financial year 2011 the independent financial services and wealth management consulting company achieved revenues in this business area amounting to € 56.8 million (9M 2010: € 39.4 million).

Statutory health insured persons are dissatisfied



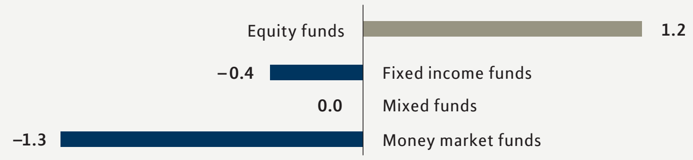
[Figure 03]

Wealth management

The observed development in the German investment fund industry since the start of the current financial year continued in the third quarter of 2011. The already existing uncertainty on the part of private investors was further compounded by the upheavals on the global equity markets between July and September. In this period the German benchmark index DAX fell by almost 26 %. This led to outflows from retail funds amounting to € 4.9 billion until end of August 2011 compared to the end of 2010. In contrast, high investment willingness on the part of institutional investors resulted in inflows totalling € 20.0 billion into specialised funds. Assets outside of investment funds reduced by € 3.6 billion. Overall, at the reference date on August 31, 2011, the total managed total assets of registered investment funds in Germany decreased by 4 % to € 1,762.3 billion (December 2010: € 1,829.6 billion).

The development on the capital markets also affected MLP. Due, above all, to the markedly negative development in numerous investment categories in the third quarter of 2011, managed client assets fell from € 19.8 billion on December 31, 2010 to € 19.3 billion on September 30, 2011.

Inflows and outflows in various types of mutual investment funds in Germany until August 31, 2011 (in € billion)



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

[Figure 04]

Competition

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

Market regulation is of particular relevance to the future competitive situation. In this respect the German government made two important decisions during the course of the year which are designed to further improve the level of investor protection: The investor protection act ("Anlegerschutz- und Funktionsverbesserungsgesetz") which was passed in spring this year includes new training standards, a register for all investment advisors as well as so-called product information sheets. These regulations apply to securities service providers such as MLP. For the hitherto largely unregulated section of the market, which is not covered by the banking supervisory authority, the Federal Cabinet passed legislation in October concerning the revision of the financial investment brokerage and asset investment act ("Finanzanlagenvermittler- und Vermögensanlagerecht") which among other aspects, also specifies new training requirements for the brokerage of open and closed funds by intermediaries and largely imposes information, consulting and documentation obligations on this market sector which already apply for banks.

During the coming years the legislator will further tighten the requirements for all market participants and will continue to push consolidation.

Company situation

RESULTS OF OPERATIONS

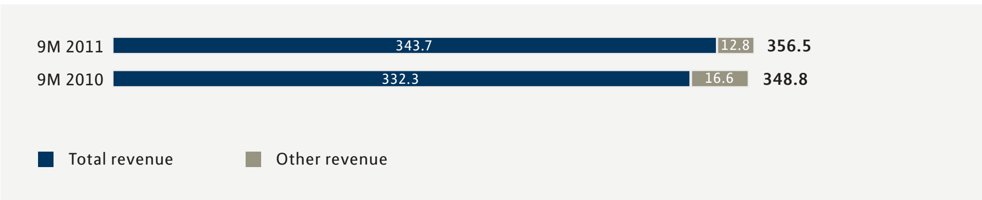
Total revenues rise by 2 %

In the period from January to September 2011, MLP increased total revenues by 2 percent to € 356.5 million (9M 2010: € 348.8 million). This growth was mainly driven by the successful development in revenues from commissions and fees which rose by 3 percent to € 322.8 million (€ 313.4 million). Interest income also developed positively, amounting to € 20.9 million (€ 18.8 million). However, other revenues decreased due to lower recharges to MLP consultants falling by 23 percent to € 12.8 million (€ 16.6 million).

The breakdown of the revenues from commissions and fees shows that the strongest growth was in health insurance where revenues grew by 44 percent to € 56.8 million (€ 39.4 million). The rise in demand was mainly due to the abolition of the three-year waiting period for employees wishing to switch to private health insurance as well as to the increasingly sceptical perception of the level of services and care provided by the state healthcare system. In wealth management, revenues rose by 4 percent to € 59.2 million (€ 57.1 million) thanks to positive business development at both MLP and the subsidiary Feri. Against the backdrop of uncertainty on the capital markets, clients' interest in buying their own home remained high and helped to expand revenues from loans and mortgages from € 7.9 million to € 9.3 million. At the same time the earnings from the joint venture company MLP Hyp increased from € 0.8 million to € 0.9 million. Revenues from non-life insurance amounted to € 25.0 million and were thus also slightly above the previous year (€ 23.9 million). In old-age provision MLP maintained the upward trend. Although revenues in the third quarter 2011 fell slightly by 2 percent to € 62.7 million (€ 64.1 million), the decrease continued to reduce compared to the first quarter (minus 14 percent) and to the second quarter (minus 6 percent).

In the third quarter of 2011 the framework conditions deteriorated significantly compared to the same period in the previous year. This was attributable to the discussions surrounding the effects of the debt crisis in Europe, the upheavals on the capital markets and the less favourable economic outlook for the coming year. Despite this situation, total revenues amounted to € 116.3 million and were slightly above the previous year's level of € 116.0 million. The revenues from commissions and fees also surpassed the previous year, rising from € 104.6 million to € 105.3 million. Interest income increased by 9 % to € 7.0 million (€ 6.4 million). Other revenues decreased from € 5.0 million to € 4.0 million.

Total revenue from continuing operations (in € million)



[Figure 05]

Development of expenses

In the first nine months of 2011 commission expenses increased from € 118.4 million to € 135.5 million. In addition to the revenue-related rise, the higher expenses were above all due to the generally improved results of our branches as well as to an adjustment of the trailer commission paid to our consultants for existing contracts with their clients. In the same period, interest expenses fell from € 7.1 million to € 6.3 million.

Our announced investment and efficiency programme affected various cost items in the first nine months of the year. One-off exceptional costs for severance payments were major contributors to the rise in personnel expenses to € 85.4 million (€ 77.6 million). On the other hand, the efficiency programme measures led to a reduction in other operating expenses from € 117.4 million to € 114.2 million.

After adjustment of the fixed costs – consisting of personnel expenses, depreciation and amortisation as well as other operating expenses – to take account of the exceptional costs resulting from the investment and efficiency programme, these decreased in the first nine months of 2011 from € 207.2 million to € 196.8 million. A portion of these cost savings is due to temporary effects, such that at September 30, 2011 MLP had achieved around € 7 million of the targeted fixed cost reductions of at least € 30 million by the end of the financial year 2012.

Operating EBIT climbs by 10 %

Earnings before interest and taxes before one-offs (Operating EBIT) in the first nine months increased by 10 percent from € 17.0 million to € 18.7 million. As already announced in April, one-off exceptional costs were incurred within the framework of the investment and efficiency programme which amounted to € 14.1 million during the period from January to September. This resulted in EBIT of € 4.6 million (€ 17.0 million). Group net profit fell accordingly to € 2.0 million (€ 12.5 million). Earnings per share (basic and diluted) thus amounted to € 0.02 (€ 0.12).

In the third quarter of 2011 operating EBIT decreased from € 8.7 million to € 6.5 million. After adjustment for one-off exceptional costs of around € 3.6 million, EBIT amounted to € 2.9 million (€ 8.7 million). Earnings from the continuing operations fell to € 1.6 million (€ 6.8 million). In the discontinued operations earnings decreased from € 0.3 million to € 0.1 million. Group net profit fell correspondingly to € 1.7 million (€ 7.2 million).

Earnings development of continuing operations

in € million	9 months 2011	9 months 2010	Change
Total revenue	356.5	348.8	2.2 %
EBIT	4.6	17.0	–72.9 %
EBIT margin	1.3 %	4.9 %	–
Finance costs	– 0.5	0.0	>100 %
EBT	4.2	17.0	–75.3 %
EBT margin	1.2 %	4.9 %	–
Income tax	– 2.8	– 4.6	–39.1 %
Net profit (continuing operations)	1.4	12.3	–88.6 %
Net margin	0.4 %	3.6 %	–

[Table 02]

EBIT from continuing operations (in € million)

[Figure 06]

Comparison between the actual and the forecasted business development

At the start of the financial year 2011 we provided a quantitative forecast for the targeted EBIT margin of 15 % in 2012 as well as a qualitative forecast for revenue development in old-age provision, health insurance and wealth management (see page 111 of the Annual Report 2010). Accordingly, for the full-year 2011 we expect to achieve growth in health insurance and wealth management as well as stable revenues in old-age provision.

This forecast proved to be largely correct in the first nine months. Revenues from commissions and fees in wealth management and in health insurance rose in total by 20 % to € 116.1 million. After nine months, revenues in old-age provision stood at € 169.6 million and were thus 7 % below the previous year. The further business development remains somewhat uncertain but from a current perspective we expect increased momentum in the fourth quarter and therefore uphold our outlook of achieving revenues in old-age provision at the level of the previous year.

The development of expenses in the first nine months was as planned. The fixed costs (personnel expenses, depreciation and amortisation, other operating expenses), which MLP seeks to reduce by at least € 30 million by the end of 2012, fell in this period – after adjustment for one-off exceptional costs – by a total of € 10.4 million (see section on "Development of expenses", page 10).

New business in old-age provisions at the previous year's level

In old-age provision the premium sum in the first nine months of the financial year 2011 stood at € 2.9 billion (€ 3.0 billion). Occupational pensions accounted for 10 percent of this figure (full year 2010: 9 percent). When viewing the third quarter in isolation, the premium sum in old-age provision amounted to € 1.0 billion and thus remained at the level of the previous year (€ 1.0 billion). Assets under Management fell to € 19.3 billion (June 30, 2011: € 20.6 billion) due to the markedly negative performance of numerous investment sectors in the third quarter.

22,800 new clients

In the period from January to September 2011 MLP welcomed 22,800 new clients (24,500). The total number of clients rose to 785,500 (June 30, 2011: 781,000). The number of consultants decreased slightly to 2,160 (June 30, 2011: 2,186).

NET ASSETS

Decrease of total assets

At the balance sheet reference date on September 30, 2011 the total assets of the MLP Group amounted to € 1,390.7 million, corresponding to a decrease of 7.6 % compared to the total assets at December 31, 2010 which then stood at € 1,505.4 million. The main influencing factors were the payment of the dividend for the financial year 2010 as well as the provisional purchase price for the remaining Feri shares. The main changes on the asset side of the balance sheet related to three items: our receivables from financial institutions from the banking business reduced by € 46.9 million to € 438.1 million which was mainly due to the profit transfer agreement with our subsidiary MLP Finanzdienstleistungen AG for the financial year 2010. Compared to the end of 2010, our financial investments reduced from € 252.7 million to € 230.4 million. Here, the disposal of investment funds holdings and the liquidation of fixed term deposits exceeded the inflow of fixed interest securities. Other accounts receivable and other assets fell from € 122 million to € 85 million as a result of usual seasonal variations. This item mainly consists of receivables from insurance companies for whom we have brokered insurance contracts. Due to the usual strong year-end business these rise significantly at the end of the year and then fall again during the course of the following financial year.

Assets as at September 30, 2011

in € million	Sept 30, 2011	Dec 31, 2010	Change
Intangible Assets	143.1	148.2	–3.4 %
Property, plant and equipment	71.6	74.4	–3.8 %
Investment property	11.0	11.2	–1.8 %
Shares accounted for using the equity method	2.5	2.9	–13.6 %
Deferred tax assets	3.9	3.3	19.6 %
Receivables from clients in the banking business	353.5	343.5	2.9 %
Receivables from banks in the banking business	438.1	485.0	–9.7 %
Financial investments	230.4	252.7	–8.8 %
Tax refund claims	11.1	11.8	–6.1 %
Other accounts receivable and other assets	85.0	122.0	–30.3 %
Cash and cash equivalents	40.5	50.5	–19.7 %
Total	**1,390.7**	**1,505.4**	**–7.6 %**

[Table 03]

High equity ratio

Due primarily to the payment of the dividend for the financial year 2010, the equity capital decreased from € 428.4 million to € 397.1 million during the period under review. The equity capital position of MLP remains very good with an equity ratio of 28.6 % (28.5 %).

Other liabilities reduced significantly by € 84.4 million to € 93.3 million. Contributing items to this reduction included the payment of the provisional purchase price for the remaining shares in Feri Finance AG as well as lower commission claims by our consultants. Due to our usually strong year end business, the commission claims by our consultants rise sharply at the balance sheet reference date on December 31, but then fall again in the following quarters.

Liabilities and shareholders' equity as at September 30, 2011

in € million	Sept 30, 2011	Dec 31, 2010	Change
Shareholders' equity	397.1	428.4	–7.3 %
Provisions	50.0	52.0	–3.8 %
Deferred tax liabilities	10.8	10.6	2.5 %
Liabilities due to clients in the banking business	823.5	819.3	0.5 %
Liabilities due to banks in the banking business	14.6	16.4	–11.0 %
Tax liabilities	1.4	1.1	24.5 %
Other liabilities	93.3	177.7	–47.5 %
Total	**1,390.7**	**1,505.4**	**–7.6 %**

[Table 04]

FINANCIAL POSITION

Cash flow from operating activities in the continuing operations decreased to € 56.0 million (€ 96.2 million). Here, main payments result from the deposit business with our clients and from the investment of these monies. This is primarily due to the lower increase of the account deposits compared to the previous year.

The change in cash flow from investment activities of the continuing operations from € –53.2 million to € –89.4 million is mainly due to the acquisition of the remaining Feri shares. Investments in fixed-term deposits with a term of more than three months amounting to a net figure of € 35.0 million (€ 0.0 million) as well as lower investments in securities of € 0.0 million (€ 50.0 million) also affected the cash flow.

The change in cash flow from financing activities in the continuing operations from € –29.6 million to € –32.4 million is almost entirely due to higher dividend payments.

Overall, at the end of the first nine months of 2011 the Group's liquid assets stood at around € 159 million. The liquidity situation therefore remains very good. The Group has adequate liquidity reserves available. In addition to the liquid funds, MLP also has access to free credit lines.

Condensed statement of cash flows in continuing operations

in € million	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010
Cash and cash equivalents at the beginning of the period	**56.3**	**96.6**	**125.5**	**123.6**
Cash flow from operating activities	–0.1	15.1	56.0	96.2
Cash flow from investing activities	3.6	22.6	–89.4	–53.2
Cash flow from financing activities	0.0	–0.5	–32.4	–29.6
Changes in cash and cash equivalents	**3.5**	**37.3**	**–65.8**	**13.3**
Inflows/outflows due to divestments	0.7	–0.1	0.8	–3.1
Cash and cash equivalents at the end of the period	**60.5**	**133.8**	**60.5**	**133.8**

[Table 05]

Capital measures

No capital measures were undertaken during the period under review.

Investments

In the period from January to September 2011 our investment volume amounted to € 4.1 million which signifies an increase of € 0.9 million compared to the investments made during the same period of the previous year. Around 84 % of this figure was allocated to the financial services sector – mainly for software as well as for operating and office equipment (including hardware). A significant portion of the funds was allocated to projects designed to improve IT support for client consulting and service activities. All investments were financed from current cash flows.

General statement concerning the business development

In the first nine months of 2011 MLP grew total revenues by 2 % and increased operating EBIT by 10 %. In this respect, and in the face of challenging market conditions, MLP reaped the benefits of its holistic business model: Decreasing revenues from old-age provision products were compensated by rising revenues in the areas of health insurance and wealth management. In addition, MLP achieved a further reduction of its fixed costs after adjustment for one-off exceptional costs. After conclusion of the first nine months, MLP still has a very good equity capital base and liquidity. Overall, we are satisfied with the business development and regard the economic position of the Group as positive – both at the end of the period under review as well as at the time of the preparation of the interim report.

PERSONNEL

The number of employees reduced during the period under review. At the reference date on September 30, 2011 the Group had a total of 1,563 employees, of which 172 were temps or marginal part-time employees. The fall compared to the previous year is attributable to two developments. Firstly, the number of employees up to the middle of the year 2011 reduced, above all, due to a decrease in the number of marginal part-time employees and assistants in the branches. Secondly, the reduction in the number of employees at the headquarters in Wiesloch during the months July to September which was announced in April, led to a further decrease. The significant part of these measures will only become evident in the key figures for the coming quarters.

In March 2011 MLP received the "TOP Employer Germany" award for the fifth consecutive time and further improved its score in terms of image, work-life balance and employee remuneration. Through this award, the Corporate Research Foundation Institute (CRF) which is one of the leading research companies in the area of employer certification and employer branding, once again confirmed MLP's outstanding corporate and employee culture.

Number of employees

	Sept 30, 2011	Sept 30, 2010
Financial Services	1,304	1,398
Feri	249	249
Holding	10	13
Total	**1,563**	**1,660**

[Table 06]

COMMUNICATION AND MARKETING ACTIVITIES

At the start of October MLP rolled out a nationwide image campaign. The campaign content focuses on the requirements of the various academic occupational groups with respect to high quality consulting and highlights the position of MLP as a reliable partner for academics' financial planning needs. The campaign is centred on MLP founder Manfred Lautenschläger and is featured in TV, print and online media.

The October issue of the client magazine FORUM features a main section on the opportunities and challenges of the ageing population in society. Further highlights include a report on our subsidiary Feri and interviews with former government minister Heiner Geißler and the President of the German Medical Association Frank Ulrich Montgomery.

In July, and for the sixth time, MLP presented its service award to product partners in the areas of old-age provision, health insurance and non-life insurance. The feedback was gathered within the framework of a survey conducted among over 1,800 consultants relating to aspects including service quality such as professional competence, response times and reachability. In addition, MLP also presented the Investment Award within the MLP wealth management concepts – an award for funds that achieved outstanding performance compared to their respective benchmark index.

Within the framework of "Medical Excellence" – the most comprehensive grant programme for medical students in Germany – 16 scholarship students were selected, having successfully come through a multi-stage selection process from among some 300 applicants nationwide. Each selected student receives a € 500 grant per semester from MLP for a period of three years.

LEGAL CORPORATE STRUCTURE AND EXECUTIVE BODIES

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

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

In September 2011 Feri Finance AG restructured its business with wealthy private and institutional investors. The purely advisory services for both investors groups provided by the previous companies Feri Family Trust GmbH and Feri Institutional Advisors GmbH were incorporated into the new company Feri Institutional & Family Office GmbH. Another new Feri Group company named Feri Trust GmbH brings together all wealth management services for institutional and private clients. With this new structure Feri no longer differentiates between individual client groups but separates purely advisory services from wealth management.

Supporting functions such as reporting, accountancy and investment controlling are brought together under the umbrella of Feri Investment Services GmbH. Feri EuroRating Services AG also belongs to the Feri-Group.

SEGMENT REPORT

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

- Financial Services
- Feri
- Holding

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

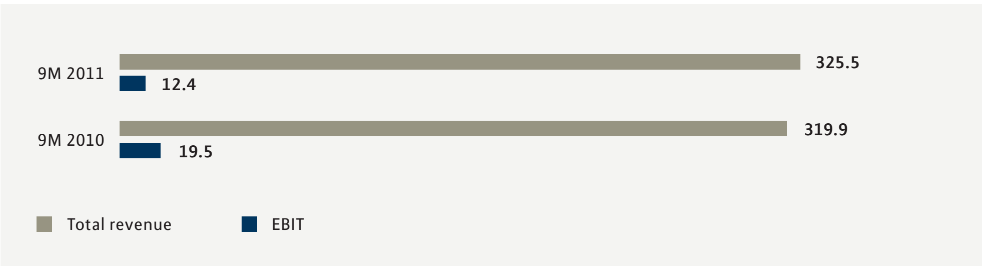
Financial services segment

In the first nine months of 2011 MLP increased total revenues in the financial services segment from € 319.9 million to € 325.5 million compared to the previous year. Essential reasons for this growth include positive developments in the areas of loans and mortgages, non-life insurance and particularly health insurance. The loans and mortgages area benefitted from the continued high level of interest on the part of our clients to purchase their own residential property. However, the most dynamic development of all consulting areas was achieved in the health insurance area, where revenues climbed by 44 % compared to the previous year (see section on "Results of Operations").

Despite higher total revenues, EBIT decreased. This fall was mainly due to the rise in commission expenses to € 132.5 million (€ 117.3 million) and to the increase in personnel expenses to € 61.4 million (€ 56.7 million) due to the one-off exceptional costs within the framework of the investment and efficiency programme. In the first nine months of 2011 EBIT thus decreased compared to the previous year, falling from € 19.5 million to € 12.4 million. The financial result amounted to € –0.6 million and thus remained at the previous year's level (€ –0.6 million). Earnings before taxes (EBT) fell from € 19.0 million to € 11.8 million.

Compared to the same period of the previous year, total revenues in the third quarter of 2011 rose slightly from € 105.6 million to € 106.3 million. EBIT fell to € 6.0 million (€ 8.3 million); EBT similarly declined from € 8.2 million to € 5.9 million.

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



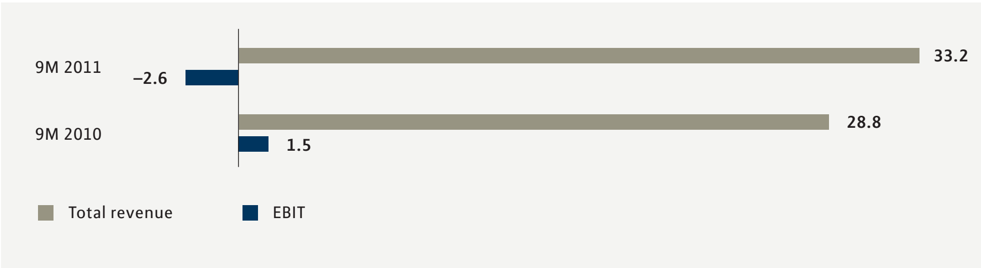
[Figure 07]

Feri segment

The companies of Feri Finance AG were also able to increase revenues in the first nine months of 2011. The companies that form this segment improved total revenues from € 28.8 million to € 33.2 million. EBIT fell to € –2.6 million (€ 1.5 million). This operating result was negatively affected by higher commission expenses as well as by increased personnel expenses due in part to one-off exceptional costs within the framework of the investment and efficiency programme. In the same period EBT decreased from € 1.4 million to € –2.6 million.

Compared to the same quarter in the previous year, the companies of Feri Finance AG increased total revenues in the third quarter of 2011 from € 10.5 million to € 12.3 million. One-off exceptional costs affected the EBIT which fell in the period from July to September 2011 to € –2.0 million (€ 1.5 million). EBT in the third quarter 2011 declined from € 1.4 million to € –2.0 million compared to the previous year.

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



[Figure 08]

Segment Holding

In the first nine months of 2011 the Holding segment posted a fall in total revenues from € 9.2 million to € 8.3 million. EBIT fell from € –4.1 million to € –5.2 million due to increased personnel expenses on account of one-off exceptional costs within the framework of the investment and efficiency programme. In the same period the financial result improved significantly and rose to € 2.4 million (€ 1.5 million). EBT decreased from € –2.6 million to € –2.8 million.

Compared to the previous year, total revenues in the Holding segment in the third quarter of 2011 fell only slightly to € 2.6 million (€ 2.9 million). EBIT amounted to € –1.1 million and thus remained at the previous year's level (€ –1.1 million). EBT decreased from € –0.3 million to € –0.8 million.

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, and operational or other risks.

The MLP Group has adequate liquid funds. At the reporting date on September 30, 2011, our core capital ratio amounted to 21.5 % 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 85 to 104 of the Annual Report 2010.

RELATED PARTY DISCLOSURES

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

OUTLOOK FOR THE CURRENT FINANCIAL YEAR/FORECAST

Future macroeconomic development

Following strong economic growth in the first quarter of 2011 and a marked reduction in momentum in the second quarter, currently available forecasts suggest that the German economy improved in the third quarter. However, experts such as the representatives of the DIW (German Institute for Economic Research) expect economic growth in Germany to deteriorate at the end of the year. In its autumn projection, the Federal Government too anticipates that the rate of growth will lessen. In this respect, the effects of the uncertainty in view of the debt crisis in numerous countries is evident.

Overall, the Federal Government expects the gross domestic product to grow by 2.9 % during the current financial year and to grow 1 % in 2012. Despite the weaker outlook, the labour market in particular is benefiting from the economic development. The Federal Government anticipates that the unemployment rate for this year will be 7 % and 6.7 % next year. Disposable incomes will rise by 3.2 % this year followed by a forecasted 2.9 % in 2012.

In general, the German economy remains resilient but the macroeconomic environment is deteriorating.

Expected GDP growth in Germany (in %)

[Figure 09]

Future situation within the industry and competition

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

In private and occupational old-age pension provision we continue to expect – in line with numerous market studies – that in the medium term meaningful growth rates will materialise. Triggered by the demographic development, several reforms have been initiated during recent years that have led to a significant fall in the level of benefits offered by the state pension scheme – thereby considerably increasing the need for supplementary old-age provision. At the same time, the Federal Government has significantly improved state subsidies for private and occupational pensions. All in all, we expect that this situation will once again result in sustainable growth rates in this market segment. However, in the short term the market for old-age provision remains heavily influenced by the hesitancy on the part of many consumers with respect to long-term investments – not least, due to the discussions surrounding the debt crisis in Europe and the upheavals on the capital markets.

The demographic development also directly affects the health insurance business area. Together with the advances in medical technology, this is now putting significant pressure on the statutory healthcare system – which in turn results in further cuts to the range and scope of treatments and services or forces premiums to rise. At the beginning of this year the Federal Government increased the premiums in the statutory healthcare scheme – a move which further increases the attractiveness of private health insurance. Another positive aspect is that since the start of the year, insurees in the statutory health insurance scheme can now more easily switch to full private health insurance, and only need to exceed the annual income threshold of € 49,500 once to be able to transfer. A further factor influencing the health insurance business area is the decision taken by the Bundestag within the framework of the revision of the financial investment brokerage and asset investment act ("Novellierung des Finanzanlagenvermittler- und Vermögensanlagerechts"); the capping of contract conclusion commission and a lengthening of the cancellation liability periods in private health insurance. The new regulation that the government coalition included in the legislation at short notice, comes into effect on April 1, 2012. In detail, the act limits the maximum permissible contract conclusion commission for private health insurance policies to nine monthly premiums. Furthermore the liability period of the intermediary for cancellation of the insurance contract by the client will in future be five years. These measures will further change the market and make business considerably more difficult for sections of the industry. However, for MLP as a client-oriented provider with very low cancellation rates and comprehensive existing client care operations, the effects are, from a current perspective, manageable. Compared to the current situation we expect that trailing commissions will play a greater role.

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

A further important factor influencing the market development are the changes to the consulting legislation. Following the numerous steps taken by the legislator during recent years in order to increase the level of professionalism in the market, new measures have recently been initiated or passed such as the investor protection act and the revision of financial investment brokerage and asset investment act. These moves will further strengthen the trend towards quality and transparency which will also accelerate the consolidation in the market. As a market leader in client orientation, MLP stands to benefit from such developments.

Anticipated business development

At the start of April 2011 MLP initiated extensive investments. At the same time we accelerated our ongoing efficiency programme and pulled forward measures into the current financial year.

The measures will focus on strengthening the MLP brand through an extensive marketing campaign, significant improvement of visibility at the branch locations, even more effective support for MLP consultants as well as further optimisation of processes. The concentration of the efficiency measures into the current financial year will result in one-off exceptional costs of around € 30 million in 2011. From 2012, the programme will contribute towards a significant increase in the previously planned efficiency measures. Overall, and on this basis, MLP expects to achieve a sustainable reduction in annual fixed costs of at least € 30 million by the end of 2012.

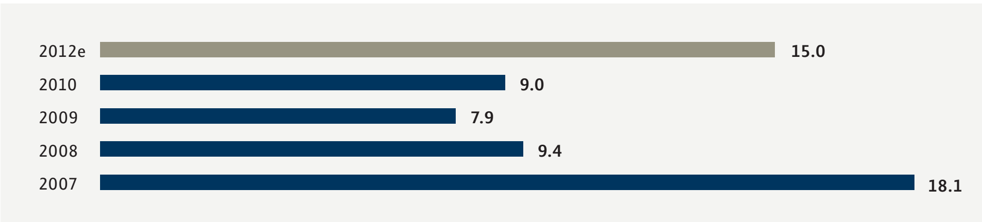
Following completion of the first nine months of 2011 we see no reason to amend the qualitative revenue forecast provided in our Annual Report 2010. In wealth management and in health insurance we expect to achieve revenue growth, both in 2011 as well as in 2012. The effects of the new legislation regarding contract conclusion commissions (see page 20) on the development of our health insurance business are somewhat unpredictable. However, from a current perspective, we expect the effects on MLP to be manageable and therefore uphold our revenue target. In old-age provision we currently still expect to achieve revenues in line with the previous year's level followed by a slight increase in 2012. However the market environment both in old-age provision as well as in wealth management remains difficult and there exist uncertainties regarding the future business development. Overall we maintain our objective to achieve an operating EBIT margin of 15 % in 2012.

Anticipated development of revenue 2011 to 2012

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

[Table 07]

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



[Figure 10]

Opportunities

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

EVENTS SUBSEQUENT TO THE REPORTING DATE

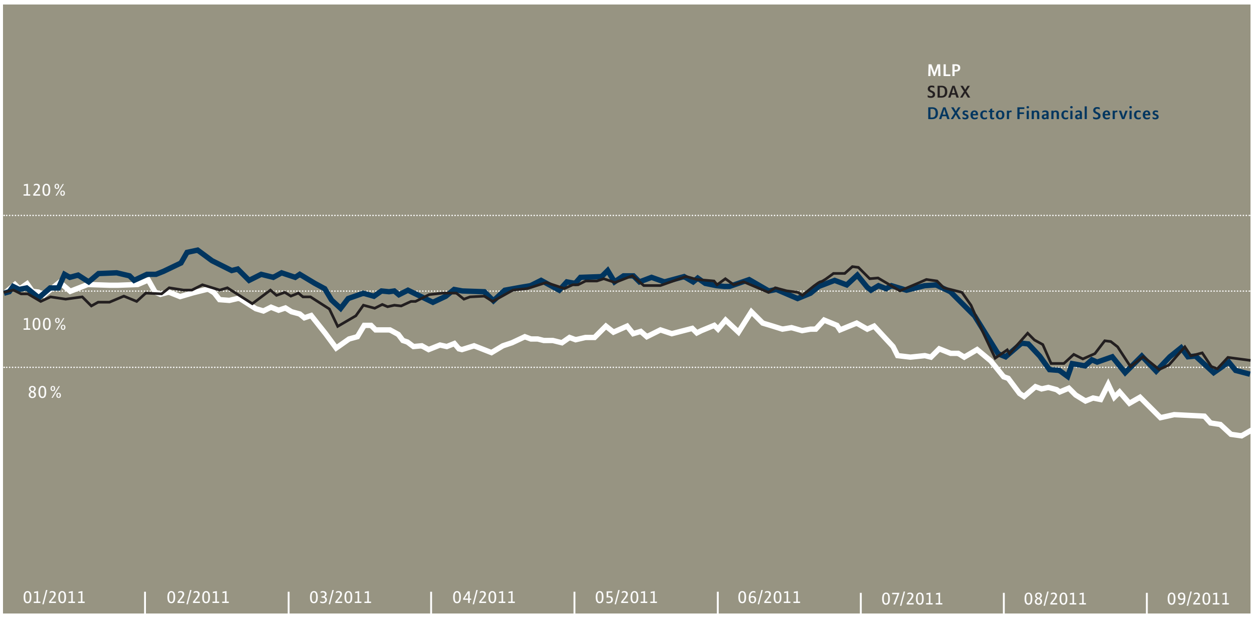
There were no notable events subsequent to the reporting date which may affect the MLP Group's net assets, financial position or results of operations.

Investor Relations

Development in the stock markets

The development in the global stock markets in the first nine months of 2011 can be divided into two distinct phases. The first phase, which lasted from the start of January to the middle of July, was characterised by a sideways move in the markets. In July, events such as the negative rating decisions concerning Greece and Ireland as well as the arguments over the ceiling in the United States of America led to a deepening of the debt crisis and to very sharp falls on the stock markets – particularly on the European exchanges. As in the first half year of 2011, the American Dow Jones Industrial Average benchmark index was less affected in the period under review than for instance German stock indices. At the end of September, the Dow Jones Industrial Average stood at 10,913 points, and thus 6.5 % lower than at the start of the year. The German DAX benchmark index fell by 21.3 % in the first nine months of 2011 and closed at 5,502 points at the end of September. The German small cap index SDAX performed somewhat better during the period under review, closing at 4,311 points at the end of September, corresponding to a fall of 17.8 % since the start of the year. Until end of September 2011, the DAXsector Financial Service index – the index for financial services companies in Germany – lost 21.5 % of its value.

MLP share, SDAX and DAXsector Financial Services in the first nine months 2011



Source: German Stock Exchange

[Figure 11]

The MLP share

The MLP share stood at € 4.79 on September 30, 2011, corresponding to a fall of 37.3 % compared to the start of the year. During this period the share moved within a price corridor between € 7.85 at the start of February and € 4.71 at the end of September.

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”.

Key figures of the MLP share

	9 months 2011	9 months 2010
Share price at the beginning of the year	€ 7.64	€ 8.27
Share price high	€ 7.85	€ 8.27
Share price low	€ 4.71	€ 6.21
Share price at the end of the quarter	€ 4.79	€ 7.48
Dividend for the previous year	€ 0.30	€ 0.25
Market capitalisation (End of reporting period)	€ 516,734,365.02	€ 806,925,480.24

[Table 08]

Award-winning Annual Report 2010

As in previous years, MLP achieved one of the top rankings in "The Best Annual Report" competition run by the financial publication "manager magazine" for the 17th time. Among all the represented companies from the SDAX, MLP was placed in second position. The jury, under the scientific leadership of Professor Jörg Baetge from the University of Münster, particularly praised the reporting of the business development as well as the informative forecast report. The competition is the most comprehensive comparison in Germany and one of the largest worldwide.

Income statement

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

All figures in €'000	Notes	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010
Revenue	(6)	112,318	111,001	343,694	332,253
Other revenue		4,015	5,041	12,788	16,596
Total revenue		**116,334**	**116,043**	**356,482**	**348,849**
Commission expenses	(7)	–43,791	–40,888	–135,546	–118,364
Interest expenses		–2,105	–2,046	–6,269	–7,103
Personnel expenses	(8)	–24,783	–24,399	–85,407	–77,612
Depreciation and amortisation	(9)	–3,520	–3,965	–11,337	–12,132
Other operating expenses	(10)	–39,606	–36,476	–114,175	–117,408
Earnings from shares accounted for using the equity method		359	417	869	780
Earnings before interest and tax (EBIT)		**2,888**	**8,686**	**4,617**	**17,009**
Other interest and similar income		513	1,840	2,561	5,261
Other interest and similar expenses		–357	–1,165	–3,015	–5,296
Finance cost	**(11)**	**156**	**675**	**–454**	**–35**
Earnings before tax (EBT)		**3,044**	**9,361**	**4,163**	**16,974**
Income taxes[1]		**–1,419**	**–2,515**	**–2,760**	**–4,625**
Earnings from continuing operations after tax		**1,625**	6,846	1,403	12,349
Earnings from discontinued operations after tax	**(18)**	**112**	**348**	**630**	**103**
Net profit		**1.737**	**7,194**	**2,032**	**12,452**
Of which attributable to					
owners of the parent company		1,737	7,194	2,032	12,452
Earnings per share in €[2]					
From continuing operations					
basic		0.02	0.06	0.01	0.11
diluted		0.02	0.06	0.01	0.11
From continuing and discontinued operations					
basic		0.02	0.07	0.02	0.12
diluted		0.02	0.07	0.02	0.12

[1] A tax effect correction undertaken at June 30, 2010 was withdrawn at December 31,2010. This resulted in an income tax decrease amounting to € 434 thsd which reduced the earnings from discontinued operations.
[2] Basis of calculation: Average number of shares at September 30, 2011: 107,877,738.

[Table 09]

Statement of comprehensive income

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

All figures in €'000	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010
Net profit	1,737	**7,194**	**2,032**	**12,452**
Other comprehensive income				
Securities marked to market	–534	243	–1,079	2,598
Tax expense	62	–57	104	–139
Other comprehensive income after tax	**–472**	**187**	**–975**	**2,459**
Total comprehensive income for the year	**1,265**	**7,381**	**1,057**	**14,911**
Total comprehensive income attributable to				
owners of the parent company	1,265	7,381	1,057	14,911

[Table 10]

Consolidated statement of financial position

Assets as at September 30, 2011

All figures in €'000	Notes	Sept 30, 2011	Dec 31, 2010
Intangible assets		143,054	148,157
Property, plant and equipment		71,606	74,403
Investment property		10,978	11,178
Shares accounted for using the equity method		2,513	2,910
Deferred tax assets		3,926	3,283
Receivables from clients in the banking business		353,463	343,453
Receivables from banks in the banking business	(12)	438,094	485,023
Financial assets	(13)	230,374	252,687
Tax refund claims		11,125	11,846
Other accounts receivable and other assets	(14)	84,988	121,999
Cash and cash equivalents		40,528	50,470
Total		**1,390,650**	**1,505,411**

[Table 11]

Liabilities and shareholders' equity as at September 30, 2011

All figures in €'000	Notes	Sept 30, 2011	Dec 31, 2010
Shareholders' equity	(15)	397,121	428,390
Provisions		49,992	51,960
Deferred tax liabilities		10,811	10,551
Liabilities due to clients in the banking business		823,474	819,294
Liabilities due to banks in the banking business		14,596	16,391
Tax liabilities		1,380	1,109
Other liabilities	(14)	93,277	177,716
Total		**1,390,650**	**1,505,411**

[Table 12]

Consolidated statement of cash flows

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

All figures in €'000	9 months 2011	9 months 2010
Cash flow from operating activities	56,798	93,019
Cash flow from investing activities	–89,368	–53,224
Cash flow from financing activities	–32,368	–29,645
Change in cash and cash equivalents	**–64,938**	**10,150**
Cash and cash equivalents at the end of the period	**60,527**	**133,775**
Thereof discontinued operations		
Cash flow from operating activities	826	–3,146
Cash flow from investing activities	–	–
Cash flow from financing activities	–	–
Change in cash and cash equivalents	**826**	**–3,146**
Cash and cash equivalents at the end of the period	**–**	**–**

[Table 13]

Condensed statement of cash flows for the period from July 1 to September 30, 2011

All figures in €'000	3rd quarter 2011	3rd quarter 2010
Cash flow from operating activities	595	15,037
Cash flow from investing activities	3,601	22,647
Cash flow from financing activities	–	–504
Change in cash and cash equivalents	**4,196**	**37,180**
Cash and cash equivalents at the end of the period	**60,527**	**133,775**
Thereof discontinued operations		
Cash flow from operating activities	650	–85
Cash flow from investing activities	–	–
Cash flow from financing activities	–	–
Change in cash and cash equivalents	**650**	**–85**
Cash and cash equivalents at the end of the period	**–**	**–**

[Table 14]

Statement of changes in equity

	Equity attributable to MLP AG shareholders				
All figures in €'000	**Share capital**	**Capital reserves**	**Securities marked to market**	**Other equity**	**Total shareholders' equity**
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**
Net profit	–	–	–	12,452	12,452
Other comprehensive income after tax	–	–	2,459	–	2,459
Total comprehensive income	**–**	**–**	**2,459**	**12,452**	**14,911**
As at September 30, 2010	**107,878**	**142,184**	**886**	**155,527**	**406,473**
As at Jan 1, 2011	**107,878**	**142,184**	**1,193**	**177,136**	**428,390**
Dividend	–	–	–	–32,363	–32,363
Changes to the scope of consolidation	–	–	–	37	37
Transactions with owners	**–**	**–**	**–**	**–32,326**	**–32,326**
Net profit	–	–	–	2,032	2,032
Other comprehensive income after tax	–	–	–975	–	–975
Total comprehensive income	**–**	**–**	**–975**	**2,032**	**1,057**
As at September 30, 2011	**107,878**	**142,184**	**218**	**146,843**	**397,121**

[Table 15]

Notes to the consolidated financial statements

Segment reporting (quarterly comparison)

	Financial services	
All figures in €'000	**3rd quarter 2011**	**3rd quarter 2010**
Revenue	104,368	102,400
of which total inter-segment revenue	2,045	70
Other revenue	1,930	3,204
of which total inter-segment revenue	421	441
Total revenue	**106,298**	**105,604**
Commission expenses	–43,086	–40,579
Interest expenses	–2,105	–2,046
Personnel expenses	–17,607	–17,501
Depreciation/amortisation and impairment	–2,285	–2,646
Other operating expenses	–35,592	–34,952
Earnings from shares accounted for using the equity method	359	417
Segment earnings before interest and tax (EBIT)	**5,982**	**8,296**
Other interest and similar income	54	74
Other interest and similar expenses	–144	–173
Finance cost	**–91**	**–99**
Earnings before tax (EBT)	**5,892**	**8,197**
Income taxes		
Earnings from continuing operations after tax		
Earnings from discontinued operations after tax	**112**	**348**
Net profit (total)		

Feri		Holding		Consolidation/Other		Total	
3rd quarter 2011	3rd quarter 2010	3rd quarter 2011	3rd quarter 2010	3rd quarter 2011	3rd quarter 2010	3rd quarter 2011	3rd quarter 2010
10,114	8,716	–	–	–2,164	–115	112,318	111,001
119	45	–	–	–2,164	–115	0	0
2,172	1,785	2,642	2,937	–2,728	–2,884	4,015	5,041
–	–	2,307	2,443	–2,728	–2,884	0	0
12,286	**10,501**	**2,642**	**2,937**	**–4,893**	**–2,998**	**116,334**	**116,043**
–2,798	–354	–	–	2,092	45	–43,791	–40,888
–	–	–	–	1	1	–2,105	–2,046
–6,290	–5,799	–886	–1,098	–	–	–24,783	–24,399
–558	–562	–677	–757	–	–	–3,520	–3,965
–4,676	–2,287	–2,151	–2,188	2,813	2,950	–39,606	–36,476
–	–	–	–	–	–	359	417
–2,036	**1,499**	**–1,071**	**–1,106**	**13**	**–3**	**2,888**	**8,686**
11	0	452	1,770	–4	–5	513	1,840
–17	–78	–213	–920	17	7	–357	–1,165
–6	**–78**	**240**	**850**	**13**	**2**	**156**	**675**
–2,042	**1,421**	**–832**	**–256**	**26**	**–1**	**3,044**	**9,361**
						–1,419	–2,515
						1,625	**6,846**
						112	**348**
						1,737	**7,194**

[Table 16]

Segment reporting (nine-month comparison)

	Financial services	
All figures in €'000	9 months 2011	9 months 2010
Revenue	317,344	308,204
of which total inter-segment revenue	2,144	173
Other revenue	8,188	11,673
of which total inter-segment revenue	1,264	1,344
Total revenue	**325,532**	**319,877**
Commission expenses	–132,503	–117,317
Interest expenses	–6,271	–7,105
Personnel expenses	–61,422	–56,691
Depreciation/amortisation and impairment	–7,624	–8,116
Other operating expenses	–106,223	–111,884
Earnings from shares accounted for using the equity method	869	780
Segment earnings before interest and tax (EBIT)	**12,358**	**19,543**
Other interest and similar income	160	261
Other interest and similar expenses	–723	–813
Finance cost	**–563**	**–552**
Earnings before tax (EBT)	**11,795**	**18,991**
Income taxes		
Earnings from continuing operations after tax		
Earnings from discontinued operations after tax	**630**	**103**
Net profit (total)		

	Feri		Holding		Consolidation/Other		Total	
	9 months 2011	9 months 2010	9 months 2011	9 months 2010	9 months 2011	9 months 2010	9 months 2011	1st half-year 2010
	28,714	24,360	–	–	–2,365	–311	343,694	332,253
	221	139	–	–	–2,365	–311	0	0
	4,456	4,418	8,330	9,188	–8,186	–8,683	12,788	16,596
	–	–	6,922	7,338	–8,186	–8,683	0	0
	33,170	**28,778**	**8,330**	**9,188**	**–10,551**	**–8,994**	**356,482**	**348,849**
	–5,185	–1,162	–	–	2,142	116	–135,546	–118,364
	–	–	–	–	2	2	–6,269	–7,103
	–19,403	–17,539	–4,582	–3,382	–	–	–85,407	–77,612
	–1,628	–1,740	–2,085	–2,275	–	–	–11,337	–12,132
	–9,522	–6,809	–6,829	–7,586	8,400	8,870	–114,175	–117,408
	–	–	–	–	–	–	869	780
	–2,568	**1,528**	**–5,166**	**–4,055**	**–7**	**–6**	**4,617**	**17,009**
	28	2	4,860	6,014	–2,487	–1,017	2,561	5,261
	–29	–104	–2,498	–4,552	235	173	–3,015	–5,296
	–1	**–101**	**2,361**	**1,462**	**–2,251**	**–845**	**–454**	**–35**
	–2,569	**1,426**	**–2,805**	**–2,593**	**–2,258**	**–851**	**4,163**	**16,974**
							–2,760	–4,625
							1,403	**12,349**
							630	**103**
							2,032	**12,452**

[Table 17]

1 Information about the company

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

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

2 Principles governing the preparation of the financial statements

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

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

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

3 Adjustments to the accounting policies

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

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

- Improvement to IFRSs 2010.

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

4 Scope of consolidation

In April 2011 MLP acquired the remaining 43.4 % shares in Feri Finance AG (FFAG). The purchase price provisionally amounts to € 50.6 million. Even before the acquisition of the remaining shares, MLP did not report any minority holdings in Feri Finance as the main risks and opportunities arising from the legally not yet transferred shares as acquisition of the first shares in 2006 lay with MLP. Furthermore, since January 1, 2011 Institutional Trust Management Company S.à.r.l., Luxemburg (ITM), which was a subsidiary of Feri Institutional Advisors GmbH (FIA) until July 31, 2011 has been included in the scope of consolidation. On August 1, 2011 the shares in ITM were sold to FFAG.
On August 1, 2011 the Feri Group changed its structure. This has the following effect on the companies previously included in the scope of consolidation (FFAG, FIA, ITM, Feri Family Trust GmbH (FFT), Feri EuroRating Services AG (FERS)).

On August 12, 2011 the assembly of the managing partners of FFT decided to increase the share capital by € 43 thsd for the purpose of the amalgamation with FIA as well as for the change in the company name to Feri Trust GmbH (FT). In accordance with the amalgamation contract of August 12, 2011, FIA was amalgamated retroactively with FT as from January 1, 2011. Feri Beteiligung GmbH which was previously not included in the scope of consolidation was renamed Feri Institutional & Family Office GmbH (FIFO) on August 11, 2011. The "Family Office" and "Consulting" business divisions were sold by FFT and FIA to FIFO. Also in August 2011, Feri Finance AG acquired Weilchensee 659. VV GmbH and decided to rename it Feri Investment Services GmbH (FIS). The "Investment-related Services", "IT Management" and "IT Development" business divisions were sold by FT and FFAG to FIS.
At September 30, 2001 the following companies of the Feri Group are therefore included in the scope of consolidation: Feri Finance AG, Feri Trust GmbH, Feri Investment Services GmbH, Feri Institutional & Family Office GmbH, Feri EuroRating Services AG and Institutional Trust Management Company S.à.r.l.

5 Seasonal influences on the business operations

Due to the seasonal development of its business, the Group generally expects earnings from continuing operations to be higher in the fourth quarter than in the previous quarters.

6 Revenue

All figures in €'000	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010
Old-age provision	62,735	64,149	169,617	182,717
Wealth management	19,026	19,963	59,231	57,090
Health insurance	15,086	12,827	56,837	39,432
Non-life insurance	4,180	3,724	24,975	23,901
Loans and mortgages	3,153	3,155	9,320	7,900
Other commission and fees	1,101	782	2,858	2,366
Commission and fees	**105,280**	**104,600**	**322,838**	**313,405**
Interest income	**7,039**	**6,401**	**20,856**	**18,848**
Total	**112,318**	**111,001**	**343,694**	**332,253**

[Table 18]

7 Commission expenses

Commission expenses increased from € 118,364 thsd to € 135,546 thsd. They mainly contain commissions and other remunration components for the self-employed MLP consultants. For further explanations please refer to the Management Report.

8 Personnel expenses/Number of employees

Personnel expenses increased from € 77,612 thsd to € 85,407 thsd. This was mainly due to reorganisation costs. For further explanations please refer to the Management Report.

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

All figures in €'000	Sept 30, 2011	of which part-time employees	Sept 30, 2010	of which part-time employees
Financial services	1,304	113	1,398	137
Feri	249	59	249	63
Holding	10	–	13	1
Total	**1,563**	**172**	**1,660**	**201**

[Table 19]

9 Depreciation/amortisation and impairment

Depreciation/amortisation and impairment includes non-scheduled write-downs on property, plant and equipment amounting to € 619 thsd (previous year: € 0 thsd).

10 Other operating expenses

All figures in €'000	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010
IT operations	12,321	12,441	36,527	35,754
Rental an leasing	3,714	3,506	11,757	11,951
Administration operations	3,373	3,510	9,921	10,671
Consultancy	3,254	2,533	9,071	10,333
Representation and advertising	2,400	1,527	6,631	5,036
External services – banking business	1,945	2,223	5,225	5,866
Premiums and fees	894	1,101	3,200	3,757
Training and further education	518	894	3,161	3,499
Travel expenses	578	1,007	3,130	2,841
Write-downs and impairments of other receivables and other assets	1,219	1,243	3,016	4,720
Expenses for commercial agents	730	1,086	2,511	3,757
Insurance	629	583	2,219	2,398
Entertainment	394	626	2,193	2,268
Write-downs and impairments of other receivables from clients in the banking business	934	800	1,996	2,971
Maintenance	456	499	1,321	1,302
Other personnel costs	238	289	898	866
Audit	202	284	641	884
Expenses from the disposal of assets	369	10	440	38
Sundry other operating expenses	5,437	2,317	10,317	8,496
Total	**39,606**	**36,476**	**114,175**	**117,408**

[Table 20]

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

11 Finance cost

All figures in €'000	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010
Other interest and similar income	**513**	**1,840**	**2,561**	**5,261**
Interest and similar expenses from financial instruments	–37	–853	–2,054	–4,359
Accrued interest on pension provisions	–321	–312	–962	–937
Other interest and similar expenses	**–357**	**–1,165**	**–3,015**	**–5,296**
Finance cost	**156**	**675**	**–454**	**–35**

[Table 21]

The decrease in other interest and similar income is due to the non-recurrence of interest which arose in the previous year in connection with an audit, non-recurrence of interest income from the valuation of the purchase price liability for Feri Finance AG, as well as lower income from interest swaps. The fall in other interest and similar expenses is mainly attributable to the non-recurrence of write-downs on financial investments and lower expenses from interest swaps. On the other hand, there were higher dividend payments to the other managing partners of Feri Finance AG.

12 Receivables from banks in the banking business

The change in receivables from banks in the banking business from € 485,023 thsd to € 438,094 thsd, is mainly attributable to the profit transfer payment by MLP Finanzdienstleistungen AG to MLP AG.

13 Financial assets

All figures in €'000	Sept 30, 2011	Dec 31, 2010
Available for sale		
Debt securities and holdings in investment funds	14,734	40,639
Investments	2,999	3,385
Held-to-maturity securities	107,369	83,379
Loans and receivables	105,271	125,284
Total	**230,374**	**252,687**

[Table 22]

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

14 Other accounts receivable and other assets/other liabilities

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

15 Shareholders' equity

Share capital

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

Dividend

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

16 Notes on the consolidated statement of cash flows

The **cash flow from operating activities** results from cash flows that cannot be defined as investing or financing activities. This is determined on the basis of the consolidated net profit for the year from continuing operations, current earnings and profit from the sale of discontinued operations. As part of the indirect determination of the cash flow, the changes in statement of financial position items due to operating activities are adjusted by effects from changes to the scope of consolidation and currency translation. The changes in the respective statement of financial position items can therefore only be partially aligned with the corresponding values in the published consolidated statement of financial positions. Cash flow from operating activities has decreased by € 36.2 million to € 56.8 million. For further explanations please refer to the Management Report.

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

The **cash flow from financing activities** is mainly influenced by the dividend distribution by MLP AG. In the comparative period, cash flow from financing activities was influenced by the dividend distribution by MLP AG and the repayment of loan liabilities.

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

Cash and cash equivalents

All figures in €'000	Sept 30, 2011	Sept 30, 2010
Cash and cash equivalents	40,528	48,775
Loans < 3 months	20,000	85,000
Liabilities to banks due on demand	–1	0
Cash and cash equivalents	**60,527**	**133,775**

[Table 23]

17 Notes on Group reporting by segment

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

18 Discontinued operations

Expenses and income from discontinued operations break down as follows.

Income statement of discontinued operations

All figures in €'000	3rd quarter 2011	3rd quarter 2010	9 months 2011	9 months 2010
Operating profit	–	–	–	–
Earnings from the sale/disclosure of operations before tax	158	370	890	128
Income taxes*	–46	–22	–260	–26
Earnings from the sale of operations after tax	**112**	**348**	**630**	**103**
Earnings from discontinued operations after tax	**112**	**348**	**630**	**103**
Earnings per share in €				
from discontinued operations				
basic and diluted	0.01	0.00	0.01	0.00

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

[Table 24]

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

The purchase contract between MLP and the acquirer of MLP Finanzdienstleistungen AG, Vienna, contains a purchase price adjustment clause which is dependent on the expenses for the restructuring of MLP Finanzdienstleistungen AG, Vienna, until April 30, 2011 at the latest. In the current financial year MLP has so far received € 0.7 million in this respect. The sale of MLP Finanzdienstleistungen AG, Vienna gives rise to contingent liabilities amounting to € 1.0 million.

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

20 Related party disclosures

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

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

21 Events subsequent to the reporting reference date

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

Wiesloch, November 9, 2011

MLP AG

Executive Board

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

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Executive bodies at MLP AG

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

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

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

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

Muhyddin Suleiman
(Sales,
appointed until September 3, 2017)

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

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

Dr. Claus-Michael Dill
(appointed until 2013)

Johannes Maret
(appointed until 2013)

Maria Bähr
(Employee representative,
appointed until 2013)

Norbert Kohler
(Employee representative,
appointed until 2013)

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Financial Calendar 2011

NOVEMBER

November 17, 2011
Roadshow in Zurich.
MLP presents its business activities, strategy and the long-term outlook for the company to investors.

November 23, 2011
Roadshow in London
MLP presents its business activities, strategy and the long-term outlook for the company to investors.

Financial Calendar 2012

FEBRUARY

February 29, 2012
Annual press conference and analyst conference in Frankfurt.

MARCH

March 22, 2012
Publication of annual report 2011.

MAY

May 10, 2012
Publication of interim report for the 1st quarter 2012.

JUNE

June 26, 2012
Annual General Meeting in Mannheim.

AUGUST

August 9, 2012
Publication of interim report for the 2nd quarter 2012.

NOVEMBER

November 14, 2012
Publication of interim report for the 3rd quarter 2012.

All Investor Relations dates for the current year can be found in our financial calendar at: www.mlp-ag.com/investor-relations/calendar

PROGNOSIS

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

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

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

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