

OVB

**Three-Month Report**

1 January – 31 March 2007

Financial Service Provider for Europe

# Key figures for the OVB Group

<b>Key operating figures</b>	<b>Unit</b>	<b>Q1/2006</b>	<b>Q1/2007</b>	<b>Change</b>
Clients (31/03)	Number	2.33 million	2.48 million	+6.4%
Financial advisors (31/03)	Number	3,939	4,263	+8.2%
New business	Number of contracts	140,706	140,308	-0.3%
Total sales commissions	Euro million	51.8	63.8	+23.2%

<b>Key financial figures</b>	<b>Unit</b>	<b>Q1/2006</b>	<b>Q1/2007</b>	<b>Change</b>
Earnings before interest and taxes (EBIT)	Euro million	8.5	9.6	+12.0%
EBIT margin*	%	16.4	15.0	-1.4% pts
Consolidated net income	Euro million	6.0	6.8	+13.9%
Earnings per share (undiluted)	Euro	0.46	0.48	+4.3%

\* Based on total sales commissions

## Key figures by regions

	<b>Unit</b>	<b>Q1/2006</b>	<b>Q1/2007</b>	<b>Change</b>
<b>Germany</b>				
Clients (31/03)	Number	650,000	673,000	+ 3.5%
Financial advisors (31/03)	Number	1,367	1,317	- 3.7%
Total sales commissions	Euro million	22.6	23.7	+ 4.9%
Earnings before interest and taxes (EBIT)	Euro million	2.9	3.0	+ 3.4%
EBIT margin*	%	12.8	12.7	- 0.1% pts
<b>Central and Eastern Europe</b>				
Clients (31/03)	Number	1.43 million	1.53 million	+ 7.0%
Financial advisors (31/03)	Number	2,017	2,367	+ 17.4%
Total sales commissions	Euro million	20.1	28.4	+ 41.3%
Earnings before interest and taxes (EBIT)	Euro million	5.7	6.5	+ 14.0%
EBIT margin*	%	28.4	22.9	- 5.5% pts
<b>Southern and Western Europe</b>				
Clients (31/03)	Number	250,000	273,000	+ 9.2%
Financial advisors (31/03)	Number	555	579	+ 4.3%
Total sales commissions	Euro million	9.1	11.7	+ 28.6%
Earnings before interest and taxes (EBIT)	Euro million	0.8	1.7	+ 112.5%
EBIT margin*	%	8.8	14.5	+ 5.7% pts

\* Based on total sales commissions

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# Welcome

Ladies and gentlemen, shareholders,

in the first months of the year 2007, OVB has maintained the course of 2006, so far the most successful financial year in corporate history, and thus established the basis for the continued expansion of the company's strong market position as financial service provider for Europe in the current year. The total sales commissions received from January to March amounted to Euro 63.8 million, exceeding the already high level achieved in the corresponding prior-year period by more than 23 percent. That all national subsidiaries have contributed to this expansion is worth mentioning in particular. This fact emphasizes the cross-national appeal of the advice and services OVB has to offer.

The growth strategy of OVB is distinguished by its pronounced orientation towards profitability. Compared to the prior-year period, our earnings before interest and taxes (EBIT) rose by 12.0 percent to reach Euro 9.6 million in the first quarter of 2007 – the highest amount we have ever achieved in one quarter. With an EBIT margin of 15.0 percent, based on total sales commissions, we hold an outstanding competitive position. We therefore assume that we will exceed our previous objectives for the total year 2007. From today's point of view, we expect to receive total sales commissions to an amount between Euro 235 and 245 million and to generate an EBIT between Euro 28 and 30 million until December. Against this backdrop, another raise of the dividend to between Euro 1.05 and 1.10 per share appears possible for 2007.

OVB Holding AG will hold its first Annual General Meeting as a listed company on 31 May 2007 in Cologne. We are happy to invite all our shareholders to this event and we are looking forward to your participation.

With kind regards



**Michael Frahnert**  
Chairman of the Executive Board

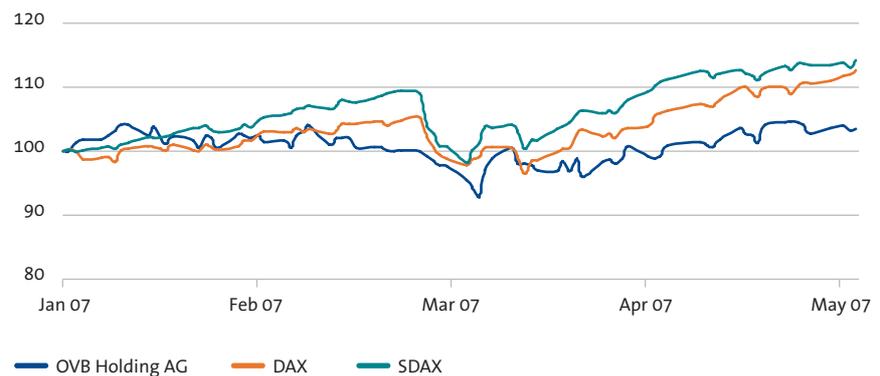
## The Share

After the share of OVB Holding AG had scored a price gain of 21.4 percent from its opening price on 21 July 2006 to the end of the year, the price development took a more low-key course in the first months of the year 2007. In January and February, the price ranged between Euro 25 and 26 (Xetra closing prices). The earnings announcements on 12 February presenting very good business results for 2006, did not give new impetus to the share price because the figures were in line with capital market expectations. Coinciding with a short weakness of the markets at the beginning of March, the price of the OVB share went down to Euro 23.20, recovering quickly to reach Euro 25.19 by the end of March. It has since continued to rise further to Euro 25.85 (editorial deadline 4 May 2007); this performance corresponds to a price gain of 3.4 percent since the beginning of the year (Euro 25.00).

The OVB share's monthly trading volume ranged between 82,000 and 99,000 shares in the first quarter of 2007. Roughly 85 percent of the trade was done on the electronic trading system Xetra, about 15 percent of the shares were traded on the floor in Frankfurt/Main.

The Annual General Meeting of 31 May 2007 will decide on a proposal for a raised dividend of Euro 0.90 per share. The distribution amount comes to Euro 12.8 million. Based on the share price of 4 May 2007 (Euro 25.85) and considering the planned dividend, the total return on the investment of those shareholders who subscribed for the OVB share at the IPO (Euro 21.00) amounts to 27.4 percent.

Share chart (indexed)



### OVB share data

SIC / ISIN	628656 / DE0006286560
Ticker symbol / Reuters / Bloomberg	O4B / O4BG.DE / O4B:GR
Type / Number of shares	No-par value ordinary bearer shares / 14,251,314
Xetra price (closing prices)	
Beginning of year	Euro 25.00 (02/01/2007)
High	Euro 26.00 (11/01/2007)
Low	Euro 23.20 (07/03/2007)
Last	Euro 25.85 (04/05/2007)
Market capitalisation	Euro 368 million (04/05/2007)

# Consolidated Management Report of OVB Holding AG

## General environment

In spring 2007 the OVB Group's business operations benefit from consistently positive macroeconomic developments. This holds true for the Euro region, which includes most countries of the Southern and Western Europe segment, as well as for our domestic market Germany and the dynamically growing region Central and Eastern Europe. After a considerable gain of 2.7 percent in the previous year, the overall economic performance of the Euro region countries is supposed to increase by at least 2.5 percent in 2007, adjusted for prices. This economic growth is based on several pillars: private consumption which profits by the continued recovery on the job market, capital spending from commerce and industry, recording high levels of capacity utilization, and the continuing export growth.

Economic forecasts in Germany have been gradually adjusted upwards over the last weeks and months. The VAT increase as of the beginning of the year only resulted in a temporary deceleration of growth. Whereas the positive impulses emanating from the significant increase of employment, the private households' rising disposable incomes, and the corresponding uplift in consumer behavior have a more enduring effect. Investments in equipment and buildings are supposed to keep rising considerably as well. Some economic research institutes now consider an increase of the real gross domestic product by close to 3 percent possible in the year 2007.

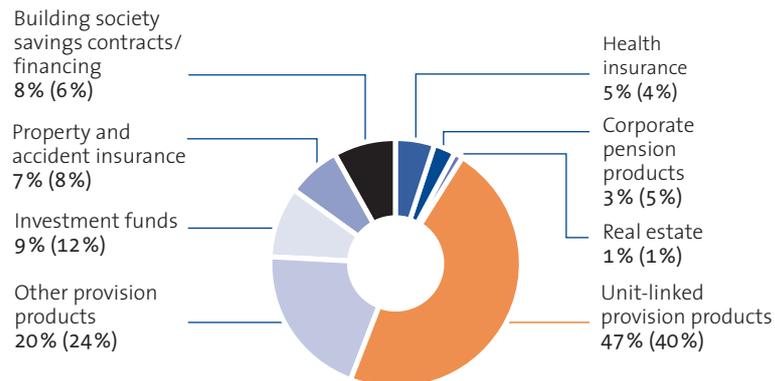
The countries of Central and Eastern Europe will keep up their high speed of growth in 2007. Considerable foreign direct investments and a brisk consumer demand, supported by fast-growing incomes, continue to be the driving forces behind this expansion. At a good 5 percent, the average economic performance of these countries will probably still grow about twice as fast in 2007 as the performance of the Western European countries. This great dynamics of growth is reflected by the business performance of the OVB segment Central and Eastern Europe as well.

## Business performance

The first months of the year 2007 were a seamless continuation of the dynamic growth OVB showed over the past financial year. The number of clients supported by our financial advisors in Europe rose from 2.33 million one year ago to 2.48 million now. The income from advisory and brokerage services including the commission forwarded to sales agents on behalf of product partners of Euro 5.5 million (previous year Euro 4.6 million) grew by 23.2 percent across the group, from Euro 51.8 million in the first three months of 2006 to Euro 63.8 Million in the period from January to March 2007. The fact that all national subsidiaries have contributed to this expansion is particularly worth mentioning.

OVB's financial advisors concluded 140,308 new contracts in the first quarter of 2007 throughout Europe, maintaining the high level of the corresponding prior-year period. The product group of unit-linked provision products continued to gain in importance: meanwhile 47 percent (previous year 40 percent) of all new contracts are accounted for by this product category which is in very high client demand especially in Central and Eastern Europe as well as in some Southern and Western European countries. The relative importance of other provision products declined to a portion of 20 percent of all new business (previous year 24 percent). However, the German business in "Riester" policies, as government-subsidized provision products part of this category, showed a very dynamic development with 7,000 new contracts in the first quarter of 2007 (previous year 4,400 new contracts). Investment funds came to a share of 9 percent of the new business across the group (previous year 12 percent). The corporate pension provisions, primarily of relevance to the German market, contributed 3 percent to the OVB Group's new business.

#### Breakdown of income from new business 1–3/2007 (1–3/2006)



#### Germany

In our domestic market, Germany, the income from advisory and brokerage services including the commission forwarded to sales agents on behalf of product partners increased by 4.9 percent, from Euro 22.6 million in the past year's first three months to Euro 23.7 million. While the collected income from primary contracts of Euro 18.2 million approximated the previous year's high level (Euro 18.3 million), sales commissions based on secondary contracts increased considerably by 29.4 percent to Euro 5.5 million (previous year Euro 4.3 million) due to a changed product mix. An expression of the quality initiative implemented resolutely by OVB, the number of full-time OVB sales agents in Germany slightly declined on balance from 1,367 by the end of March 2006 to currently 1,317. They support 673,000 clients across Germany, 4,000 more clients than by the end of 2006 and 23,000 more than one year ago. The product groups most demanded by our German clients are still unit-linked provision products, with a share of 31 percent of the new contracts (previous year 33 percent), followed by other provision products with 15 percent (17 percent). Influenced in part by the discussion about health reform, the portion of health insurance policies grew from 9 to 14 percent of the new business. Unchanged from

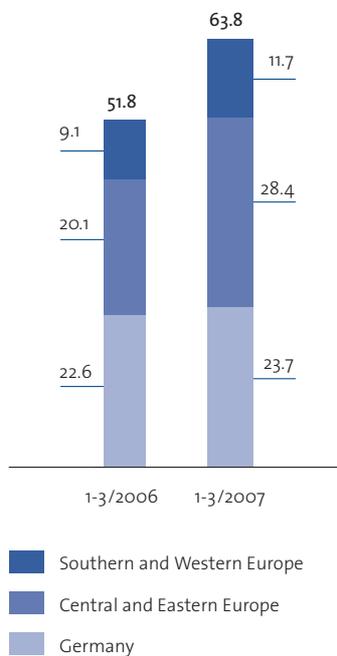
the previous year, corporate pension products accounted for 11 percent of all new contracts.

### Central and Eastern Europe

With a 41.3 percent increase of total sales commissions to Euro 28.4 million (previous year Euro 20.1 million), Central and Eastern Europe clearly assumed the leading position of our three regional segments for the first time in the first quarter of 2007. While our business activities in Czechia and Slovakia maintained their high expansion speed, particularly the national subsidiaries in Poland and Hungary took up distinctive dynamics of growth. By balance-sheet date comparison, the number of full-time OVB sales agents in Central and Eastern Europe grew by 17.4 percent to 2,367 (previous year 2,017). The number of advised and supported clients was 1.53 million by the end of March 2007, corresponding to a growth by 28,000 clients in the period under report and 100,000 clients compared to the prior-year period of comparison. With a portion of 56 percent of the new business (previous year 41 percent), unit-linked provision products dominate the product sale. Products of the category building society savings contracts / financing substantially gained in importance with a new business share of 11 percent (previous year 5 percent).

### Total sales commissions by regions

Euro million, figures rounded



### Southern and Western Europe

Unit-linked provision products are by far the most demanded product group in the region Southern and Western Europe as well, with a share of 52 percent of the new business (previous year 52 percent). Other provision products accounted for 32 percent of the new business in the first quarter of 2007 (previous year 25 percent). The expansion of our business operations in Southern and Western Europe is proceeding constantly. Compared to the previous year, the number of our clients rose by 23,000 to now 273,000; in the last months alone we were joined by 5,000 new clients. They are supported by 579 (previous year 555) full-time OVB sales agents. The income from advisory and brokerage services increased by 28.6 percent in this segment, from Euro 9.1 million in the prior-year quarter to Euro 11.7 million now.

## Employees

By the end of March 2007, 4,263 fully trained financial advisors worked full-time for OVB throughout Europe. Over the period of one year the advisory capacity of OVB has thus been expanded by 8.2 percent. In view of an increasing competition for qualified employees, we consider this development a success of our focused training and professional development measures. OVB also offers its sales agents attractive contract terms and general conditions supportive of entrepreneurial thinking and entrepreneurial action.

With 4,950 employees, the number of new recruits has been virtually unchanged from the previous year. Starting out as part-time employees, they undergo the in-house training program, standardized throughout Europe, to become Certified Financial Consultants (CFC). This professional qualification is a prerequisite to the engagement in a full-time contractual relationship with OVB. We place high demands on the new recruits' level of training and their sales orientation.

The number of employees at the holding company, the service companies, and in our national subsidiaries' central administrations rose from 341 by the end of March 2006 to currently 413. This increase, which we want to keep within limits as narrow as

possible, reflects the expansion of the business activities of the OVB Group as well as the development of know-how in Slovakia and Czechia. The group had a total of 9,626 employees by the end of March 2007, compared to 9,273 12 months ago.

## Earnings situation

The OVB group continued its uninterrupted dynamic growth of the previous year in the first three months of 2007. The total sales commissions increased by 23.2 percent from Euro 51.8 million in the previous year to Euro 63.8 million in the period under report. The included commission forwarded to sales agents on behalf of product partners amounted to Euro 5.5 million, after Euro 4.6 million one year ago. The brokerage income stated as sales rose by 23.3 percent to reach Euro 58.3 million (previous year Euro 47.3 million).

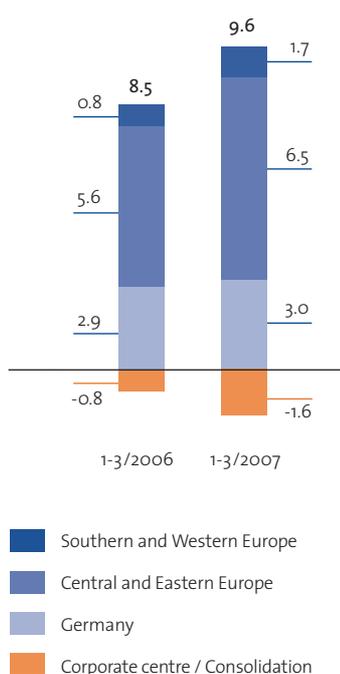
Brokerage expenses, comprising commission which is directly performance-based and other commission, increased by 23.6 percent to Euro 34.6 million (previous year Euro 28.0 million) in the first quarter of 2007, in line with the expansion of the business volume. Personnel expenses for the group's employees rose from Euro 4.5 million to Euro 5.0 million (+13.0 percent), on account of the staff addition of 72 new employees by balance sheet date comparison. Depreciation and amortization came to Euro 1.0 million, after Euro 0.8 million in the previous year. The significant increase in other operating expenses by 37.0 percent to Euro 11.6 million (previous year Euro 8.5 million) is caused by a large number of factors, particularly intensified sales-supporting measures and higher expenses for our sales agents' training programs.

Earnings before interest and taxes (EBIT) amounted to Euro 9.6 million in the first quarter of 2007, an increase of 12.0 percent over the prior-year amount of Euro 8.5 million. All the three regional segments increased their contributions to the EBIT. Based on total sales commissions, the resulting EBIT margin for the group comes to 15.0 percent.

Owing to the income from the investment of the funds which had been raised from the company's IPO, the financial result improved from Euro 0.1 million in the previous year to Euro 0.9 million. Thereby the earnings before taxes (EBT) grew faster than the EBIT did, from Euro 8.6 million to Euro 10.5 million, a 21.7 percent increase. Due to the increase in earnings and the discontinuation of loss carry-forwards in some countries, the increase of the income tax load was disproportionately high, from Euro 2.7 million to Euro 3.7 million. The consolidated net income for the first quarter of 2007 was Euro 6.8 million, a 13.9 percent gain on the previous year (Euro 6.0 million). The undiluted earnings per share, determined on the basis of 14,251,314 no-par shares, came to Euro 0.48, after Euro 0.46 (based on 13,020,600 no-par shares) in the corresponding prior-year quarter.

### Earnings before interest and taxes (EBIT) by segments

Euro million, figures rounded



## Financial position, assets and liabilities

### Financial position

The OVB Group's cash flow from operating activities came to Euro 3.9 million in the period from January to March 2007, after Euro -0.2 million in the prior-year period of comparison. This change is essentially the result of the increased net

income for the period and an increase in trade payables as well as other liabilities by Euro 1.0 million, in contrast to a decline of this item by Euro 2.3 million recorded in the previous year's period of comparison.

The cash flow from investing activities expanded from Euro -0.4 million in the previous year to Euro -1.8 million in the period under report. The cash flow from financing activities came to Euro -0.1 million, both currently and 12 months ago. Cash and cash equivalents increased within one year from Euro 15.9 million to Euro 25.3 million, primarily accounted for by the cash flow from the IPO in the summer of 2006.

#### Assets and liabilities

Parallel to the positive business development, the balance sheet total of OVB Holding AG grew by almost Euro 10 million from the end of the year 2006 to reach Euro 148.6 million by the end of March 2007. Assets and liabilities remain solid and well-balanced. On the assets side, current assets rose in particular: The item securities and other investments gained Euro 5.8 million, cash and cash equivalents grew by Euro 2.0 million to reach Euro 25.3 million. Together with the increase in trade receivables by Euro 1.8 million to Euro 24.7 million, these developments reflect the growth in business volume and earnings. On the liabilities side of the balance sheet, the item equity increased in particular – due to the earnings generated in the period under report – by Euro 6.8 million to Euro 88.8 million. The equity ratio comes to 59.8 percent. Because of the business expansion, other provisions increased by Euro 2.4 million to Euro 24.1 million, income tax liabilities rose by Euro 2.3 million to Euro 5.0 million.

#### Outlook

In 2007 OVB will expand its strong market position as financial service provider for Europe: The general conditions for the OVB Group's business activities, now extending over 14 European countries, are excellent. The start into the financial year 2007 was very successful, sales performance and EBIT exceeded our expectations. Against this backdrop, we are confident that we can exceed our previous objectives for the total year. From today's point of view, we expect to receive total sales commissions to an amount between Euro 235 and 245 million and to generate an EBIT between Euro 28 and 30 million until December. Based on these figures, another raise of the dividend to between Euro 1.05 and 1.10 per share appears possible for 2007.



Michael Frahnert  
Chairman of the Executive Board



Oskar Heitz  
Member of the Executive Board

## Consolidated balance sheet

of OVB Holding AG as at 31 March 2007, prepared in accordance with IFRS

### Assets

in Euro	31/03/2007	31/12/2006
<b>A. Non-current assets</b>		
Intangible assets	6,109,481.67	5,377,206.30
Tangible assets	6,252,952.26	5,377,761.46
Real estate held as a financial investment	725,195.25	729,000.00
Financial assets	225,378.52	131,804.02
Deferred tax assets	3,973,632.75	4,047,909.97
	<b>17,286,640.45</b>	<b>15,663,681.75</b>
<b>B. Current assets</b>		
Trade receivables	24,718,095.41	22,864,439.33
Receivables and other assets	17,641,608.52	17,544,539.33
Income tax receivables	3,098,993.69	4,709,537.03
Securities and other investments	60,579,114.85	54,776,713.73
Cash and cash equivalents	25,298,449.75	23,305,379.58
	<b>131,336,262.22</b>	<b>123,200,609.00</b>
<b>Total assets</b>	<b>148,622,902.67</b>	<b>138,864,290.75</b>

**Liabilities**

in Euro	31/03/2007	31/12/2006
<b>A. Equity</b>		
Subscribed capital	14,251,314.00	14,251,314.00
Capital reserve	39,341,973.48	39,341,973.48
Own shares	0.00	0.00
Revenue reserves	10,309,488.10	9,986,166.62
Other reserves	2,018,814.50	2,075,815.54
Minority interests	220,471.67	230,171.47
Net retained profits	22,662,904.88	16,163,704.38
<b>Total equity</b>	<b>88,804,966.63</b>	<b>82,049,145.49</b>
<b>B. Non-current liabilities</b>		
Liabilities to banks	572,278.17	692,676.87
Provisions	567,531.87	543,794.72
Other liabilities	27,604.19	35,721.46
Deferred tax liabilities	75,738.75	106,332.64
	<b>1,243,152.98</b>	<b>1,378,525.69</b>
<b>C. Current liabilities</b>		
Provisions for taxes	1,759,752.96	2,064,752.45
Other provisions	24,148,367.51	21,742,011.92
Income tax liabilities	4,963,932.64	2,662,924.48
Trade payables	7,714,417.72	9,450,756.04
Other liabilities	19,988,312.23	19,516,174.68
	<b>58,574,783.06</b>	<b>55,436,619.57</b>
<b>Total equity and liabilities</b>	<b>148,622,902.67</b>	<b>138,864,290.75</b>

## Consolidated income statement

of OVB Holding AG for the period from 1 January to 31 March 2007, prepared in accordance with IFRS

in Euro	01/01/ – 31/03/2007	01/01/ – 31/03/2006
Brokerage income	58,293,230.56	47,265,767.02
Other operating income	3,591,642.87	3,061,141.71
<b>Total income</b>	<b>61,884,873.43</b>	<b>50,326,908.73</b>
Brokerage expenses	-34,649,854.82	-28,034,528.43
Personnel expenses	-5,047,566.47	-4,465,239.91
Depreciation and amortisation	-1,004,236.52	-806,557.10
Other operating expenses	-11,611,912.03	-8,473,223.51
<b>Earnings before interest and taxes (EBIT)</b>	<b>9,571,303.59</b>	<b>8,547,359.78</b>
Finance income	990,712.10	263,880.09
Finance expenses	-43,667.08	-168,198.35
Financial result	947,045.02	95,681.74
<b>Earnings before taxes (EBT)</b>	<b>10,518,348.61</b>	<b>8,643,041.52</b>
Taxes on income	-3,705,526.43	-2,650,373.83
Consolidated net income for the year	6,812,822.18	5,992,667.69
Minority interests	9,699.80	-4,120.42
<b>Consolidated net income for the year after minority interests</b>	<b>6,822,521.98</b>	<b>5,988,547.27</b>
Earnings per share/undiluted	0.48	0.46

## Consolidated cash flow statement

of OVB Holding AG for the period from 1 January to 31 March 2007, prepared in accordance with IFRS

in Euro	01/01/ – 31/03/2007	01/01/ – 31/03/2006
Cash and cash equivalents		
Cash in hand/bank balances maturing in < 3 months	25,298,449.75	15,939,932.10
Net income/loss for the period (after minority interests)	6,822,521.98	5,988,547.27
+/- Write-downs/write-ups of non-current assets	1,006,008.35	805,090.23
-/+ Unrealised currency gains/losses	-5,819.41	-230,567.55
+/- Increase/reversal of provision for impairment of receivables	707,635.55	147,567.52
-/+ Increase/decrease in deferred tax assets	74,277.22	214,200.41
+/- Increase/decrease in deferred tax liabilities	-30,593.89	2,999.43
<b>= Cash flow</b>	<b>8,574,029.80</b>	<b>6,927,837.31</b>
- Finance income	-645,817.20	-188,498.60
- Interest income	-344,894.90	-75,381.49
+/- Increase/decrease in provisions	2,125,093.25	2,233,705.06
+/- Increase/decrease in available-for-sale reserve	-83,337.33	37,923.00
+/- Expenses/income from the disposal of intangible and tangible assets (net)	119,123.09	21,868.53
+/- Decrease/increase in trade receivables and other assets	-6,850,218.60	-6,804,756.90
+/- Increase/decrease in trade payables and other liabilities	1,028,690.12	-2,348,336.87
<b>= Cash flow from operating activities</b>	<b>3,922,668.23</b>	<b>-195,639.96</b>
+ Proceeds from the disposal of tangible assets	1,495.41	8,823.47
+ Proceeds from the disposal of financial assets	0.00	14,919.47
- Purchases of tangible assets	-1,439,361.34	-269,119.66
- Purchases of intangible non-current assets	-1,308,210.92	-186,941.07
- Purchases of financial assets	-89,085.82	-205,536.27
+ Finance income	645,817.20	188,498.60
+ Interest received	344,894.90	75,381.49
<b>= Cash flow from investing activities</b>	<b>-1,844,450.57</b>	<b>-373,973.97</b>
+ Proceeds from transfers to equity	0.00	0.00
- Equity transaction costs	0.00	0.00
-/+ Purchase/sale of own shares	0.00	-130,384.50
- Distributions to the company's shareholders and minority interests (dividends, equity repayments, other distributions)	0.00	0.00
+/- Increase/decrease in minority interests	-9,699.80	4,120.42
+/- Proceeds/expenses from the issue of bonds and (financing) loans	-120,398.70	-17,302.96
<b>= Cash flow from financing activities</b>	<b>-130,098.50</b>	<b>-143,567.04</b>

## Consolidated statement of changes in equity

of OVB Holding AG as at 31 March 2007, prepared in accordance with IFRS

in Euro	Subscribed capital	Treasury stock	Capital reserve	Retained profits brought forward	Statutory reserves	Other revenue reserves
<b>Balance as at 31/12/2006</b>	<b>14,251,314.00</b>	<b>0.00</b>	<b>39,341,973.48</b>	<b>-145,407.12</b>	<b>1,561,363.56</b>	<b>8,424,803.06</b>
Consolidated profit				16,309,111.50		
Own shares		0.00	0.00			
Capital measures	0.00	0.00	0.00			
Dividend distributed	0.00	0.00	0.00	0.00		
Change in available-for-sale reserve						
Transfer to other reserves				-323,321.48	323,321.48	
Change in currency translation reserve						
Equity transaction costs			0.00			
Net income for the period						
Other reallocation						
<b>Balance as at 31/03/2007</b>	<b>14,251,314.00</b>	<b>0.00</b>	<b>39,341,973.48</b>	<b>15,840,382.90</b>	<b>1,884,685.04</b>	<b>8,424,803.06</b>
<b>Balance as at 31/12/2005</b>	<b>13,116,314.00</b>	<b>-86,329.00</b>	<b>18,048,618.12</b>	<b>241,650.51</b>	<b>1,239,278.59</b>	<b>4,986,227.32</b>
Consolidated profit				13,131,999.33		
Own shares		-18,771.00	-111,613.50			
Change in available-for-sale reserve						
Transfer to other reserves				-220,364.97	220,364.97	
Change in currency translation reserve						
Net income prior to release of reserves						
<b>Balance as at 31/03/2006</b>	<b>13,116,314.00</b>	<b>-105,100.00</b>	<b>17,937,004.62</b>	<b>13,153,284.87</b>	<b>1,459,643.56</b>	<b>4,986,227.32</b>

Available- for-sale-reserve/ revaluation reserve (after taxes)	Deferred taxes on unrealised gains	Currency translation reserve	Net income recognised directly in equity	Net income for the period	Consolidated profit	Minority interests	Total
<b>306,103.84</b>	<b>-73,744.69</b>	<b>1,843,456.39</b>	<b>1,572,053.15</b>	<b>16,309,111.50</b>	<b>17,881,164.65</b>	<b>230,171.47</b>	<b>82,049,145.49</b>
			-1,572,053.15	-16,309,111.50	-17,881,164.65		0.00
			0.00		0.00		0.00
0.00	0.00		0.00		0.00		0.00
0.00	0.00		0.00		0.00		0.00
-77,972.63	-5,364.70		-83,337.33		-83,337.33		-83,337.33
			0.00				0.00
		26,336.29	26,336.29	0.00	26,336.29		26,336.29
			0.00				0.00
			0.00	6,822,521.98	6,822,521.98	-9,699.80	6,812,822.18
			0.00				0.00
<b>228,131.21</b>	<b>-79,109.39</b>	<b>1,869,792.68</b>	<b>-57,001.04</b>	<b>6,822,521.98</b>	<b>6,765,520.94</b>	<b>220,471.67</b>	<b>88,804,966.63</b>
<b>147,350.89</b>	<b>19,319.00</b>	<b>337,092.50</b>	<b>108,265.41</b>	<b>13,131,999.33</b>	<b>13,240,264.74</b>	<b>207,829.24</b>	<b>51,389,350.50</b>
			-108,265.41	-13,131,999.33	-13,240,264.74		0.00
			0.00		0.00		-130,384.50
30,338.40	7,584.60		37,923.00		37,923.00		37,923.00
			0.00		0.00		0.00
		-305,416.36	-305,416.36	264,384.77	-41,031.59		-41,031.59
			0.00	5,724,162.50	5,724,162.50	4,120.42	5,728,282.92
<b>177,689.29</b>	<b>26,903.60</b>	<b>31,676.14</b>	<b>-267,493.36</b>	<b>5,988,547.27</b>	<b>5,721,053.91</b>	<b>211,949.66</b>	<b>56,984,140.33</b>

## Segment reporting 01/01 – 31/03/2007

of OVB Holding AG according to IFRS

in Euro	Germany	Central and Eastern Europe	Southern and Western Europe	Corporate Centre	Consolidation	Consolidated
<b>Segment income</b>						
Income from business with third parties						
- Brokerage income	18,173,159.74	28,388,486.43	11,731,584.39	0.00	0.00	58,293,230.56
Other operating income	1,332,824.57	381,398.15	663,271.08	1,113,844.91	100,304.16	3,591,642.87
Income from inter-segment transactions	183,322.36	36,341.38	44,782.00	683,962.40	-948,408.14	0.00
<b>Total segment income</b>	<b>19,689,306.67</b>	<b>28,806,225.96</b>	<b>12,439,637.47</b>	<b>1,797,807.31</b>	<b>-848,103.98</b>	<b>61,884,873.43</b>
<b>Segment expenses</b>						
Brokerage expenses						
- Current commission for sales force	-7,362,563.32	-16,906,456.03	-7,305,637.55	0.00	0.00	-31,574,656.90
- Other commission for sales force	-2,002,925.38	-901,942.10	-170,330.44	0.00	0.00	-3,075,197.92
Personnel expenses	-2,205,027.76	-1,059,306.56	-853,656.82	-929,575.33	0.00	-5,047,566.47
Depreciation/amortisation	-642,245.26	-176,233.76	-118,697.63	-67,059.87	0.00	-1,004,236.52
Other operating expenses	-4,452,788.05	-3,245,772.21	-2,328,059.41	-2,486,255.60	900,963.24	-11,611,912.03
<b>Total segment expenses</b>	<b>-16,665,549.77</b>	<b>-22,289,710.66</b>	<b>-10,776,381.85</b>	<b>-3,482,890.80</b>	<b>900,963.24</b>	<b>-52,313,569.84</b>
<b>Segment result before financial result</b>						
Financial result	373,684.05	90,728.67	181,330.64	5,356,161.48	-5,054,859.82	947,045.02
<b>Segment result after financial result</b>	<b>3,397,440.95</b>	<b>6,607,243.97</b>	<b>1,844,586.26</b>	<b>3,671,077.99</b>	<b>-5,002,000.56</b>	<b>10,518,348.61</b>
<b>Additional disclosures</b>						
Investments in intangible and tangible assets	2,354,739.93	341,276.35	83,332.69	51,430.59	0.00	2,830,779.56
Other non-cash expenses	-3,712,752.19	-5,622,754.51	-715,134.55	-140,735.84	0.00	-10,191,377.09
Impairment expenses recognised in the income statement	-178,477.26	-540,457.12	-107,991.21	-191,289.62	0.00	-1,018,215.21
Total segment assets	52,352,619.27	36,987,998.21	18,932,493.00	47,524,827.38	-7,135,981.05	148,661,956.81
Less deferred taxes and refund claims	-2,419,773.56	-2,040,728.50	-149,098.29	-2,463,026.09	0.00	-7,072,626.44
<b>Segment assets</b>	<b>49,932,845.71</b>	<b>34,947,269.71</b>	<b>18,783,394.71</b>	<b>45,061,801.29</b>	<b>-7,135,981.05</b>	<b>141,589,330.37</b>
Total segment liabilities	34,296,389.83	16,425,591.38	12,576,646.99	3,919,642.32	-7,400,334.48	59,817,936.04
Less deferred taxes and deferred tax liabilities	-3,484,649.82	-1,819,616.19	-1,408,282.57	-25,055.42	0.00	-6,737,604.00
Less loan commitments	0.00	-313,478.16	-249,659.30	-892,382.60	883,241.89	-572,278.17
Less capitalised lease obligations	0.00	0.00	-27,604.19	0.00	0.00	-27,604.19
<b>Segment liabilities</b>	<b>30,811,740.01</b>	<b>14,292,497.03</b>	<b>10,891,100.93</b>	<b>3,002,204.30</b>	<b>-6,517,092.59</b>	<b>52,480,449.68</b>

## Segment reporting 01/01 – 31/03/2006

of OVB Holding AG according to IFRS

in Euro	Germany	Central and Eastern Europe	Southern and Western Europe	Corporate Centre	Consolidation	Consolidated
<b>Segment income</b>						
Income from business with third parties						
- Brokerage income	18,318,176.39	19,833,733.49	9,113,857.14	0.00	0.00	47,265,767.02
Other operating income	1,219,754.43	567,191.17	635,905.03	405,938.40	232,352.68	3,061,141.71
Income from inter-segment transactions	163,597.65	0.00	157,087.31	485,418.97	-806,103.93	0.00
<b>Total segment income</b>	<b>19,701,528.47</b>	<b>20,400,924.66</b>	<b>9,906,849.48</b>	<b>891,357.37</b>	<b>-573,751.25</b>	<b>50,326,908.73</b>
<b>Segment expenses</b>						
Brokerage expenses						
- Current commission for sales force	-7,924,857.18	-11,825,065.84	-5,850,197.40	0.00	0.00	-25,600,120.42
- Other commission for sales force	-1,969,838.21	-320,677.72	-143,892.08	0.00	0.00	-2,434,408.01
Personnel expenses	-2,238,948.98	-728,241.49	-781,657.73	-716,391.71	0.00	-4,465,239.91
Depreciation/amortisation	-498,221.94	-117,744.47	-133,756.95	-56,833.74	0.00	-806,557.10
Other operating expenses	-4,190,773.06	-1,742,113.80	-2,219,270.49	-896,640.18	575,574.02	-8,473,223.51
<b>Total segment expenses</b>	<b>-16,822,639.37</b>	<b>-14,733,843.32</b>	<b>-9,128,774.65</b>	<b>-1,669,865.63</b>	<b>575,574.02</b>	<b>-41,779,548.95</b>
<b>Segment result before financial result</b>						
Financial result	115,400.15	26,733.68	-60,388.72	16,383.04	-2,446.41	95,681.74
<b>Segment result after financial result</b>	<b>2,994,289.25</b>	<b>5,693,815.02</b>	<b>717,686.11</b>	<b>-762,125.22</b>	<b>-623.64</b>	<b>8,643,041.52</b>
<b>Additional disclosures</b>						
Investments in intangible and tangible assets	296,586.51	161,170.07	61,381.39	15,095.40	-0.05	534,233.32
Other non-cash expenses	-3,443,450.41	-1,474,086.72	-540,298.13	-134,666.82	0.00	-5,592,502.08
Impairment expenses recognised in the income statement	-58,458.51	-103,222.21	-170,800.82	-57,332.34	0.00	-389,813.88
Total segment assets	48,898,615.49	23,310,477.59	17,099,188.89	37,025,123.10	-20,136,015.98	106,197,389.09
Less deferred taxes and refund claims	-4,121,146.40	-1,377,244.46	-154,838.58	-1,927,253.45	0.00	-7,580,482.89
<b>Segment assets</b>	<b>44,777,469.09</b>	<b>21,933,233.13</b>	<b>16,944,350.31</b>	<b>35,097,869.65</b>	<b>-20,136,015.98</b>	<b>98,616,906.20</b>
Total segment liabilities	35,881,455.58	15,395,863.02	14,293,201.81	3,510,086.23	-19,906,412.02	49,174,194.62
Less deferred taxes and deferred tax liabilities	-180,924.00	-766,654.26	-1,083,079.88	-72,458.09	0.00	-2,103,116.23
Less loan commitments	0.00	-316,887.27	-100,570.43	-1,499,939.34	728,134.56	-1,189,262.48
Less capitalised lease obligations	0.00	0.00	-42,655.00	0.00	0.00	-42,655.00
<b>Segment liabilities</b>	<b>35,700,531.58</b>	<b>14,312,321.49</b>	<b>13,066,896.50</b>	<b>1,937,688.80</b>	<b>-19,178,277.46</b>	<b>45,839,160.91</b>

# IFRS Consolidated Financial Statements Notes as at 31 March 2007

## I. GENERAL INFORMATION

### 1. General information on the OVB Group

The parent company of the OVB Group (hereinafter "OVB") is OVB Holding AG, Cologne. It is recorded in the Commercial Register maintained at the Local Court (Amtsgericht) of Cologne, Reichenspergerplatz 1, 50670 Cologne, under registration number HRB 34649. The business address of OVB Holding AG is Heumarkt 1, 50667 Cologne.

### 2. Basis of preparation

The consolidated financial statements of OVB for the first quarter of the financial year 2007 (hereinafter "interim report") have been prepared on a consolidated basis in accordance with the International Financial Reporting Standards (IFRS) as adopted and published by the International Accounting Standards Board (IASB), as required to be applied in the European Union as of balance sheet date, and as interpreted by the International Financial Reporting Interpretations Committee (IFRIC).

All requirements for an interim report as defined by IAS 34 have been met. Furthermore, the additional quarterly report requirements under the regulations of the Frankfurt Stock Exchange for a segment of the official ("amtlicher Markt") or regulated market ("geregelter Markt") with additional post-admission obligations (Prime Standard) have been observed.

### 3. Accounting policies, valuation methods, and consolidation

The accounting, valuation and consolidation methods have not changed from those applied for the preparation of the consolidated financial statements for the financial year ended 31 December 2006.

## II. SIGNIFICANT EVENTS IN THE INTERIM PERIOD

Significant events subject to mandatory reporting according to IAS 34 (e.g. circumstances uncommon for business operations, initiation of restructuring measures, or abandonment of business segments) have not occurred.

### III. INFORMATION ON EQUITY

#### 1. Share capital

The subscribed capital (share capital) of OVB Holding AG amounts to Euro 14,251,314.00, unchanged from 31 December 2006. It is divided into 14,251,314 ordinary voting shares.

#### 2. Dividends

Distributable amounts relate to the net retained profits of OVB Holding AG as determined in accordance with German commercial law. In compliance with Section 170 AktG (Stock Corporation Act), the Executive Board of OVB Holding AG proposes that the net retained profits stated in the annual financial statements of OVB Holding AG as of 31 December 2006 be appropriated as follows:

##### in Euro

Distribution to shareholders	12,826,182.60
Retained profits carried forward	1,224,440.59
<b>Net retained profits</b>	<b>14,048,623.19</b>

The distribution of profits corresponds to Euro 0.90 per share (previous year: Euro 0.75 per share).

Due to the authorization to acquire own shares, the amount to be distributed to the shareholders may change until the Annual General Meeting because of a changed number of shares entitled to dividend.

### IV. OTHER INFORMATION

#### 1. Contingent liabilities

The OVB Group has given guarantees and assumed liabilities on behalf of subsidiaries and financial advisors in the ordinary course of business. The associated risks are recognized in other provisions to the extent that they give rise to obligations whose values can be reliably estimated. Material changes compared with 31 December 2006 have not occurred.

#### 2. Number of employees

As of 31 March 2007, the OVB Group had a total commercial staff of 413 employees, 45 of which were in managerial positions.

## V. EVENTS AFTER THE BALANCE SHEET DATE AND PROSPECTS FOR THE CURRENT FINANCIAL YEAR

### 1. Significant events after the quarterly balance sheet date and changes in the risks involved in future development

No significant events have occurred after 31 March 2007, the balance sheet date for this quarter's financial statements. Since 31 December 2006 no significant changes in the risks involved in future development have occurred.

### 2. Prospects for the current financial year

The successful start into this financial year makes us feel confident that we can exceed our previous objectives for the total year. From today's point of view, we expect to receive total sales commissions to an amount between Euro 235 and 245 million and to generate an EBIT between Euro 28 and 30 million until December. On this basis, another raise of the dividend to between Euro 1.05 and 1.10 Euro per share appears possible for 2007.

Cologne, 10 May 2007



Michael Frahnert



Oskar Heitz



## Contact

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## Financial Calendar

31 May 2007	Annual General Meeting
August 2007	Results for the second quarter of 2007
November 2007	Results for the third quarter of 2007

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