

OVB

**Interim Report**

1 January – 30 September 2007

Financial Service Provider for Europe

## Key figures for the OVB Group

Key operating figures	Unit	01/01–	01/01–	Change
		30/09/2006	30/09/2007	
Clients (30/09)	Number	2.39 million	2.54 million	+6.3%
Financial advisors (30/09)	Number	4,234	4,509	+6.5%
New business	Number of contracts	484,595	404,902	-16.4%
Total sales commission	Euro million	155.3	179.7	+15.7%

Key financial figures	Unit	01/01–	01/01–	Change
		30/09/2006	30/09/2007	
Earnings before interest and taxes (EBIT)	Euro million	19.1	22.3	+16.5%
EBIT margin*	%	12.3	12.4	+0.1% pts
Consolidated net income	Euro million	13.2	15.8	+19.4%
Earnings per share (undiluted)	Euro	0.99**	1.11***	+12.1%

\* Based on total sales commission

\*\* Based on 13,325,927 no-par value shares

\*\*\* Based on 14,251,314 no-par value shares

## Key figures by region

	Unit	01/01–	01/01–	Change
		30/09/2006	30/09/2007	
<b>Germany</b>				
Clients (30/09)	Number	662,000	678,600	+2.5%
Financial advisors (30/09)	Number	1,397	1,249	-10.6%
Total sales commission	Euro million	63.1	64.5	+2.2%
Earnings before interest and taxes (EBIT)	Euro million	5.7	5.9	+3.4%
EBIT margin*	%	9.0	9.1	+0.1% pts
<b>Central and Eastern Europe</b>				
Clients (30/09)	Number	1.47 million	1.57 million	+6.8%
Financial advisors (30/09)	Number	2,258	2,521	+11.6%
Total sales commission	Euro million	65.0	78.2	+20.3%
Earnings before interest and taxes (EBIT)	Euro million	15.8	16.6	+4.8%
EBIT margin*	%	24.3	21.2	-3.1% pts
<b>Southern and Western Europe</b>				
Clients (30/09)	Number	263,000	285,800	+8.6%
Financial advisors (30/09)	Number	579	739	+27.6%
Total sales commission	Euro million	27.2	37.0	+36.0%
Earnings before interest and taxes (EBIT)	Euro million	2.3	5.3	+131.0%
EBIT margin*	%	8.5	14.3	+5.8% pts

\*Based on total sales commission

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## Welcome



**Michael Frahnert**  
Chairman of the Executive Board

Dear shareholders and business associates,

In mid-November we can already say that the OVB success story has continued in 2007. The key to lasting success is diversification, and indeed OVB's excellent performance in 2007 is due to an ever-broadening product base and network. We are particularly pleased to see that all of our subsidiaries continue to contribute to Group growth and have positive performance to report. Total sales commission as at 30 September 2007 hit a new record high of Euro 179.7 million, which represents growth of 15.7 percent compared with the same period last year. Earnings before interest and taxes (EBIT) rose by 16.5 percent to Euro 22.3 million, and consolidated net income increased by as much as 19.4 percent to Euro 15.8 million. We will achieve our targets for 2007 as a whole (total sales commission of between Euro 235 and 245 million and EBIT of between Euro 28 and 30 million) during a final spurt in the last few weeks of the year. In view of this significant improvement in net income, the Executive Board will propose that the dividend for 2007 be increased to Euro 1.15 per share.

For years now, the constantly evolving legislative framework applicable to pension provision, private investment and financial advice as well as fierce competition have presented the industry with major challenges. At the present time, this particularly applies to the German market. Nevertheless, we are confident that financial advisory services in Germany will continue to offer considerable potential for growth. OVB is on the right track towards exploiting this potential, with an action plan geared towards promoting the "subsidised provision" line of business and efforts to systematically consolidate the sales network, particularly in Southern Germany.

OVB particularly distinguishes itself from its competitors by continually tapping into attractive foreign markets. Early involvement in these markets is critical for success, as is a long-term commitment. OVB is now in the enviable position of being able to profit in this area from earlier investment. This is the case for many subsidiaries in Southern and Western Europe, for which 2007 marked the transition from the start-up to the expansion phase. It is particularly true of our activities in Central and Eastern Europe, where OVB has forged a leading position for itself in many of the markets in the region. The most recent step in our expansion strategy was commencing operations in the Ukraine in the summer of 2007. Our continuing success is based on consistently utilising the growth potential that Europe has to offer.

Kind regards,

A handwritten signature in blue ink, consisting of stylized initials 'MF'.

**Michael Frahnert**  
Chairman of the Executive Board

## Share Performance

Over the past few weeks and months our share price has not reflected OVB Holding AG's continued solid performance. Instead, share performance has been dictated by the market's generally sceptical attitude towards financial sector securities. In the first half of 2007 the share price hovered around the Euro 25 mark, but in the following months it dropped to approximately Euro 20. OVB shares thus performed better than the securities of our listed competitors.

In the third quarter of 2007, the average volume of OVB shares traded per month on all German stock exchanges was about 60,000 shares. Around 72 percent of this volume was cleared and settled through the Xetra trading system.

Since the IPO in July 2006, OVB Holding AG has taken an increasing number of measures to position its shares in the market. Talks with institutional investors, financial analysts and retail investors are on the agenda. During these discussions, management provides comprehensive and transparent explanations of the company's strategic focus and current performance. We regularly receive very positive feedback on our international growth strategy. However, one securities-related obstacle we face is that the liquidity of our shares is relatively low, particularly for larger institutional investors. Notwithstanding this, the proportion of OVB Holding AG shares in free float will soon increase from 24.0 percent to 28.4 percent: on 30 November 2007 the lock-up period stemming from the IPO and relating to 632, 224 shares held by employees and financial advisors will expire.

### Share data

SIC / ISIN code	628656 / DE0006286560
Ticker symbol / Reuters / Bloomberg	O4B / O4BG.DE / O4B:GR
Type / number	No-par value ordinary bearer shares / 14,251,314
Xetra price (closing prices))	
Beginning of year	Euro 25.00 (02/01/2007)
High	Euro 26.58 (31/05/2007)
Low	Euro 19.90 (12/11/2007)
Last	Euro 19.90 (12/11/2007)
Market capitalisation	Euro 284 million (12/11/2007)

# Consolidated Management Report of OVB Holding AG

## General environment

Economic growth in the euro-zone countries has gone down again after hitting an interim peak. Since 2006, when price-adjusted economic performance rose by 2.8 percent, growth in 2007 has slowed somewhat to an estimated 2.6 percent. This figure is expected to be 2.1 percent in 2008. Notwithstanding that, economic growth is high enough to sustain the fall in unemployment in the EMU countries. As unemployment goes down, the disposable income of private households rises, as does their ability to make private provision for old age and risks, and to generate wealth through investment.

The German economy's rate of growth is also slowing. After 3.3 percent growth in the first quarter of 2007, the economy grew by only 2.5 percent in the second quarter of 2007 relative to the same period last year. The main drivers of the economy are exports and investments in plants and equipment. Private consumption is stagnating, and this is attributable among other things to a noticeable increase in the savings ratio (triggered by the increase in the value added tax rate) to an estimated annual average of 10.8 percent (2006: 10.5 percent). However, private consumption should receive a boost in 2008 with an increase in disposable income associated with ongoing job creation. Real economic growth in Germany was 2.9 percent in 2006, and it should reach 2.4 percent this year and 2.3 percent in 2008. Compared to the relatively recent past, these figures represent quite respectable growth rates for the German economy. They create enough flexibility for both the government and citizens to forge ahead with reform of the social security and pension systems and to reward individual initiative in this area to a greater extent.

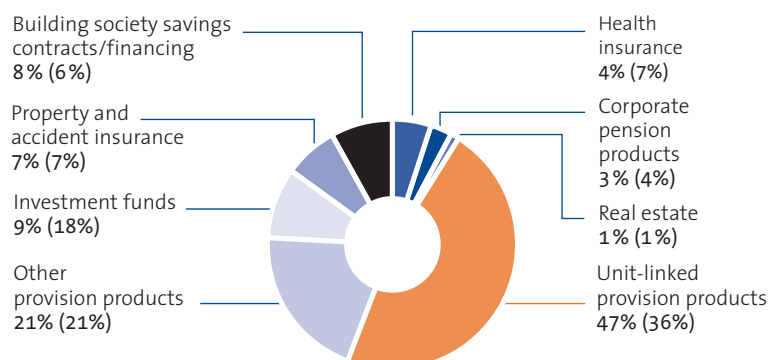
With average economic growth of more than 6 percent, the rate of expansion in Central and Eastern European countries is far greater than that of Western European countries. The social security systems in almost all of the countries in this region are undergoing reform. For example, a comprehensive overhaul of the pension system in Romania is underway, and a similar reform is planned in the Czech Republic in the not too distant future.

## Business performance

The OVB success story continues again in 2007 on the basis of an ever-expanding product base and regional network. Our financial advisors now service 2.54 million clients in 14 European countries, or 150,000 more clients than a year ago. Total sales commission grew by 15.7 percent across the Group, from Euro 155.3 million in the first nine months of 2006 to Euro 179.7 million in the period from January to September 2007. This includes commission of Euro 16.6 million forwarded to sales agents on behalf of product partners (30 September 2006: Euro 19.1 million). All of OVB's subsidiaries made a contribution to this solid growth in sales.

Across Europe, OVB's financial advisors concluded a total of 404,902 new contracts in the first nine months of 2007. The number of new contracts declined in Slovakia as a result of last year's social security reforms, but most other subsidiaries reported an increase in the number of new contracts. It should be noted that, generally speaking, both the average amount insured and annual premiums have increased, particularly in Central and Eastern Europe. In the first nine months of 2007, there was a clear trend towards unit-linked provision products, which accounted for 47 percent of new contracts, up from 36 percent in the same period last year. The popularity of "other provision products" remained constant, accounting for 21 percent of new business, although "Riester" products, which fall within this product category, are becoming increasingly significant in the German market. The number of new "Riester" contracts concluded increased from 15,400 last year to almost 23,000 in the current year. The share of new business attributable to investment funds dropped sharply from 18 percent to 9 percent. Corporate pension products accounted for 3 percent of new business across the Group, but 8 percent of new business in Germany.

#### Breakdown of income from new business 1–9/2007 (1–9/2006)



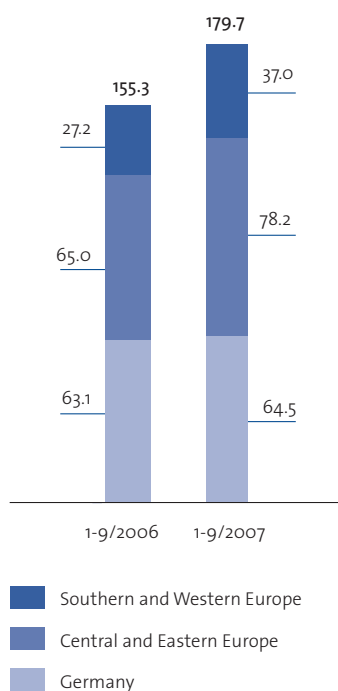
#### Germany

Total sales commission generated in Germany increased by 2.2 percent from Euro 63.1 million in the first nine months of 2006 to Euro 64.5 million in the period under review. We aim to utilise existing growth potential to an even greater extent by systematically consolidating our sales network, particularly in Southern Germany. OVB's financial advisors currently provide services to 678,600 clients. Advisory services and product brokerage related primarily to unit-linked provision products, which accounted for 37 percent of new business, up from 32 percent the previous year. New business was otherwise attributable in fairly equal shares to other provision products (14 percent), investment funds (12 percent), property and accident insurance (12 percent) and health insurance (10 percent).

#### Central and Eastern Europe

Our financial advisors in Central and Eastern Europe have solicited 70,000 additional clients for OVB since the beginning of the year. With 1.57 million clients in total, this region now accounts for 62 percent of all OVB clients. The rapid growth in client

**Total sales commission broken down by region**  
Euro million, figures rounded



acquisition was further boosted by the fact that insured amounts are increasing as private household income rises. In light of these circumstances, total sales commission collected in Central and Eastern Europe during the period under review increased by 20.3 percent to Euro 78.2 million (30 September 2006: Euro 65.0 million).

#### Southern and Western Europe

The newer OVB subsidiaries in Southern and Western Europe are performing extremely well. This region leads the pack according to almost all growth-related performance indicators. Total sales commission in the period to 30 September 2007 increased by 36.0 percent to Euro 37.0 million (30 September 2006: 27.2 million). The number of financial advisors rose to 739, and the number of clients increased by 8.6 percent to 285,800 (30 September 2006: 263,000).

#### Employees

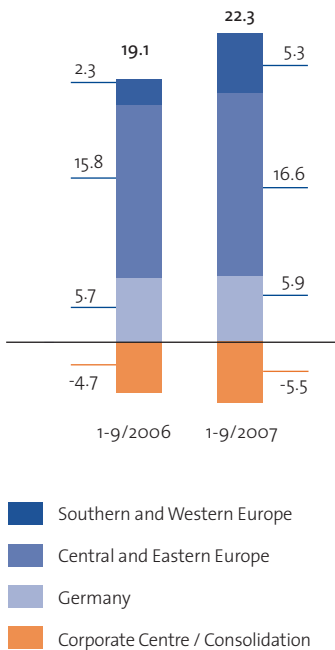
The OVB Group employed about 9,650 people across Europe as of 30 September 2007. Our clients are in the good hands of our full-time financial advisors, who have all satisfied the necessary government accreditation requirements or possess the necessary licence. Since the beginning of the year, the number of financial advisors throughout the Group has increased from 4,210 to 4,509. The number of financial advisors in Germany has dropped by 4 percent since the beginning of the year. By contrast, the size of the sales force in Central and Eastern Europe increased by about 8 percent, and by almost 28 percent in Southern and Western Europe.

The number of employees at the holding company, the service companies and in the central administrations of our subsidiaries has increased since the beginning of the year to 448. In the course of expanding our business, we have increased the number of staff involved in budget/planning, management, control and marketing activities.

#### Earnings situation

The OVB Group's performance was distinguished by sustained high-yield growth in the first nine months of 2007. Total sales commission increased by 15.7 percent from Euro 155.3 million at 30 September 2006 to Euro 179.7 million in the period under review. The volume of commission forwarded to sales agents on behalf of product partners fell further from Euro 19.1 million last year to Euro 16.6 million. Brokerage income reported as sales revenue thus increased from Euro 136.2 million to Euro 163.1 million, a rise of 19.8 percent. Largely in line with brokerage income, brokerage expenses increased by 23.1 percent in the first nine months of 2007 to Euro 99.5 million (30 September 2006: Euro 80.8 million). Personnel expenses for Group employees, the number of which rose from 373 at 30 September 2006 to 448 at 30 September 2007, increased by 16.2 percent to Euro 15.2 million (30 September 2006: Euro 13.1 million). Greater investment activity triggered a rise in depreciation and amortisation from Euro 2.6 million in 2006 to Euro 3.1 million this year. Other operating expenses were Euro 32.6 million, up 12.7 percent from Euro 28.9 million at 30 September 2006. The increase this year was primarily attributable to the particular focus on expanding our sales support.

Earnings before interest and taxes (EBIT) broken down by segment  
Euro million, figures rounded



Earnings before interest and taxes (EBIT) increased by Euro 3.2 million or 16.5 percent to Euro 22.3 million in the first nine months of 2007 (30 September 2006: Euro 19.1 million). As with sales growth, all regions contributed to this EBIT increase. In Germany, where EBIT declined slightly in the first six months of 2007 compared with the first six months of 2006, EBIT for the first nine months of 2007 surpassed the previous year's figure by 3.4 percent and reached Euro 5.9 million (30 September 2006: Euro 5.7 million). EBIT reported by the Central and Eastern Europe segment increased to Euro 16.6 million (30 September 2006: Euro 15.8 million), and EBIT in the national subsidiaries in Southern and Western Europe leapt from Euro 2.3 million at 30 September 2006 to Euro 5.3 million in the period under review. The Group's EBIT margin (based on total sales commission) was 12.4 percent. This figure was 9.1 percent in Germany, 21.2 percent in Central and Eastern Europe and 14.3 percent in Southern and Western Europe.

The OVB Group's earnings before taxes (EBT) increased in the period from January to September 2007 by 19.5 percent to Euro 23.9 million (30 September 2006: Euro 20.0 million). This was considerably greater than the EBIT increase because a positive financial result of Euro 1.6 million was reported (30 September 2006: Euro 0.9 million). After deducting income taxes of Euro 8.1 million (30 September 2006: Euro 6.8 million), consolidated net income reached Euro 15.8 million at 30 September 2007, up 19.4 percent or Euro 2.6 million from the previous year. Undiluted earnings per share (based on 14,251,314 no-par value shares) was Euro 1.11 compared to Euro 0.99 at 30 September 2006 (based on 13,325,927 no-par value shares).

## Financial position

The OVB Group's cash flow from operating activities was Euro 22.2 million in the period from January to September 2007. This figure was Euro -8.0 million at 30 September 2006, heavily influenced by the inflow of funds from the IPO and the associated increase in investments classed as current assets. The cash flow in the period under review primarily reflects the increased net income for the period and the expansion of business activities, which can be seen, for example, under the item increase in provisions.

The outflow of funds in connection with investments increased markedly from Euro 0.4 million at 30 September 2006 to Euro 3.5 million at 30 September 2007. The reasons for the increase were greater investment in IT and measures to expand the sales network. Cash flow from financing activities was Euro -13.0 million (30 September 2006: Euro +12.9 million) and was primarily affected by the disbursement of dividends to our shareholders. Cash and cash equivalents at 30 September 2007 amounted to Euro 29.0 million compared with Euro 21.2 million at 30 September 2006.



## Assets and liabilities

OVB Holding AG's total assets increased by Euro 8.7 million from Euro 138.9 million at 31 December 2006 to Euro 147.6 million at 30 September 2007. Under the item non-current assets, tangible assets increased by Euro 1.7 million to Euro 7.7 million. Trade receivables rose by Euro 2.4 million or around 10 percent to Euro 25.2 million as a result of Group growth. The positive earnings trend and the shifting of items from securities to cash and cash equivalents resulted in a Euro 5.7 million increase in cash and cash equivalents to Euro 29.0 million.

OVB Holding AG's equity as of 30 September 2007 totalled Euro 85.0 million and the equity ratio was 57.6 percent. While non-current liabilities were very low (Euro 1.2 million) and had hardly changed since the end of 2006, current liabilities increased by a total of Euro 5.9 million to Euro 61.4 million (spread across various items) and related to the ongoing conduct of our business.

## Opportunities and risks

OVB provides expert advice to its clients on all issues relating to personal finances in 14 European countries. There is considerable potential for further growth in all of the markets in which we operate. We also plan to enter new and promising markets. The forces driving OVB's profitable expansion are continuing. We therefore see no major changes to the risks that may affect our business performance in the future.

## Outlook

As at mid-November, we are very close to reaching our targets for 2007 (total sales commission of between Euro 235 and 245 million and EBIT of between Euro 28 and 30 million). We are confident that we will achieve them in a final spurt in the last few weeks of the year. In view of this improvement in net income, the Executive Board intends to propose that the dividend for the 2007 financial year be increased to Euro 1.15 per share. We expect the positive trend to continue in 2008.



Michael Frahnert  
Chairman of the  
Executive Board



Oskar Heitz  
Member of the  
Executive Board

## Consolidated balance sheet

of OVB Holding AG as at 30 September 2007, prepared in accordance with IFRS

### Assets

in Euro	30/09/2007	31/12/2006
<b>A. Non-current assets</b>		
Intangible assets	5,890,182.71	5,377,206.30
Tangible assets	7,077,927.82	5,377,761.46
Real estate held as a financial investment	729,200.00	729,000.00
Financial assets	342,791.21	131,804.02
Deferred tax assets	3,704,620.70	4,047,909.97
	<b>17,744,722.44</b>	<b>15,663,681.75</b>
<b>B. Current assets</b>		
Trade receivables	25,236,516.58	22,864,439.33
Receivables and other assets	17,877,222.28	17,544,539.33
Income tax receivables	4,472,348.48	4,709,537.03
Securities and other investments	53,263,787.58	54,776,713.73
Cash and cash equivalents	28,973,249.27	23,305,379.58
	<b>129,823,124.19</b>	<b>123,200,609.00</b>
<b>Total assets</b>	<b>147,567,846.63</b>	<b>138,864,290.75</b>

**Liabilities**

in Euro	30/09/2007	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
Revenue reserves	12,514,258.60	9,986,166.62
Other reserves	2,040,694.77	2,075,815.54
Minority interests	217,894.32	230,171.47
Net retained profits	16,615,685.77	16,163,704.38
<b>Total equity</b>	<b>84,981,820.94</b>	<b>82,049,145.49</b>
<b>B. Non-current liabilities</b>		
Liabilities to banks	517,662.50	692,676.87
Provisions	590,662.52	543,794.72
Other liabilities	21,339.58	35,721.46
Deferred tax liabilities	78,444.80	106,332.64
	<b>1,208,109.40</b>	<b>1,378,525.69</b>
<b>C. Current liabilities</b>		
Provisions for taxes	2,474,640.85	2,064,752.45
Other provisions	25,165,984.87	21,742,011.92
Income tax liabilities	2,519,179.43	2,662,924.48
Trade payables	9,931,332.90	9,450,756.04
Other liabilities	21,286,778.24	19,516,174.68
	<b>61,377,916.29</b>	<b>55,436,619.57</b>
<b>Total equity and liabilities</b>	<b>147,567,846.63</b>	<b>138,864,290.75</b>

## Consolidated income statement

of OVB Holding AG for the period from 1 January to 30 September 2007, prepared in accordance with IFRS

in Euro	01/07 – 30/09/2007	01/07 – 30/09/2006	01/01 – 30/09/2007	01/01 – 30/09/2006
Brokerage income	52,104,860.30	45,728,866.63	163,059,203.67	136,165,321.66
Other operating income	3,484,440.08	3,962,044.03	9,636,877.37	8,357,904.01
<b>Total income</b>	<b>55,589,300.38</b>	<b>49,690,910.66</b>	<b>172,696,081.04</b>	<b>144,523,225.67</b>
Brokerage expenses	-32,016,873.17	-28,329,153.10	-99,464,714.40	-80,819,685.33
Personnel expenses	-5,068,051.66	-4,416,219.16	-15,244,830.26	-13,120,508.71
Depreciation and amortisation	-994,862.81	-1,042,863.44	-3,133,430.33	-2,562,846.28
Other operating expenses	-11,833,285.39	-11,762,630.08	-32,580,824.31	-28,903,610.33
<b>Earnings before interest and taxes (EBIT)</b>	<b>5,676,227.35</b>	<b>4,140,044.88</b>	<b>22,272,281.74</b>	<b>19,116,575.02</b>
Finance income	503,581.16	609,660.15	2,205,615.97	1,245,421.36
Finance expenses	-403,409.51	-49,496.05	-570,780.00	-353,923.89
Financial result	100,171.65	560,164.10	1,634,835.97	891,497.47
<b>Earnings before taxes (EBT)</b>	<b>5,776,399.00</b>	<b>4,700,208.98</b>	<b>23,907,117.71</b>	<b>20,008,072.49</b>
Taxes on income	-2,211,081.15	-1,840,506.53	-8,113,138.88	-6,763,581.13
Consolidated net income	3,565,317.85	2,859,702.45	15,793,978.83	13,244,491.36
Minority interests	4,252.40	2,165.47	12,277.15	-6,778.46
<b>Consolidated net income after minority interests</b>	<b>3,569,570.25</b>	<b>2,861,867.92</b>	<b>15,806,255.98</b>	<b>13,237,712.90</b>
Earnings per share (undiluted)	0.25	0.21	1.11	0.99

## Consolidated cash flow statement

of OVB Holding AG for the period from 1 January to 30 September 2007, prepared in accordance with IFRS

in Euro	01/01 – 30/09/2007	01/01 – 30/09/2006
Cash in hand/bank balances maturing in < 3 months	28,973,249.27	21,243,106.19
Net income/loss for the period (after minority interests)	15,806,255.98	13,237,712.90
+/- Write-downs/write-ups of non-current assets	3,031,693.96	2,560,712.56
-/+ Unrealised currency gains/losses	52,666.79	256,845.04
+/- Increase/reversal of provision for impairment of receivables	1,301,526.44	742,573.49
-/+ Increase/decrease in deferred tax assets	343,289.27	867,897.47
+/- Increase/decrease in deferred tax liabilities	-27,887.84	-59,310.83
- Finance income	-1,442,705.07	-805,962.77
- Interest income	-590,132.72	-438,437.55
+/- Increase/decrease in provisions	3,880,729.15	1,811,394.65
+/- Increase/decrease in available-for-sale reserve	-46,063.88	12,887.76
+/- Expenses/income from the disposal of intangible assets and tangible assets (net)	65,743.81	101,604.41
+/- Decrease/increase in trade receivables and other assets	-2,256,171.94	-28,977,577.67
+/- Increase/decrease in trade payables and other liabilities	2,093,053.49	2,735,773.75
<b>= Cash flow from operating activities</b>	<b>22,211,997.44</b>	<b>-7,953,886.79</b>
+ Proceeds from the disposal of tangible assets	38,607.05	13,976.42
+ Proceeds from the disposal of financial assets	360,705.81	205,788.74
- Purchases of tangible assets	-3,210,831.03	-995,019.02
- Purchases of intangible non-current assets	-2,121,192.44	-625,131.43
- Purchases of financial assets	-558,581.95	-210,688.13
+ Finance income	1,442,705.07	805,962.77
+ Interest received	590,132.72	438,437.55
<b>= Cash flow from investing activities</b>	<b>-3,458,454.77</b>	<b>-366,673.10</b>
+ Proceeds from transfers to equity	0.00	23,835,000.00
- Equity transaction costs	0.00	-3,097,443.39
-/+ Purchase/sale of own shares	0.00	2,073,715.50
- Distributions to the company's shareholders and minority interests (dividends, equity repayments, other distributions)	-12,826,182.60	-9,758,396.25
+/- Increase/decrease in minority interests	-12,277.15	6,778.46
+/- Proceeds/expenses from the issue of bonds and (financing) loans	-175,014.37	-186,716.24
<b>= Cash flow from financing activities</b>	<b>-13,013,474.12</b>	<b>12,872,938.08</b>
<b>Overview:</b>		
Cash flow from operating activities	22,211,997.44	-7,953,886.79
Cash flow from investing activities	-3,458,454.77	-366,673.10
Cash flow from financing activities	-13,013,474.12	12,872,938.08
Exchange gains/losses on cash and cash equivalents	-72,198.86	74,063.67
<b>= Net change in cash and cash equivalents</b>	<b>5,667,869.69</b>	<b>4,626,441.86</b>
+ Cash and cash equivalents at the end of the prior period	23,305,379.58	16,616,664.33
<b>= Cash and cash equivalents at the end of the current period</b>	<b>28,973,249.27</b>	<b>21,243,106.19</b>
Income tax paid	7,486,033.26	4,340,119.48
Interest paid	82,274.27	196,574.38

## Consolidated statement of changes in equity

of OVB Holding AG as at 30 September 2007, prepared in accordance with IFRS

in Euro	Subscribed capital	Own shares	Capital reserve	Retained profits brought forward	Statutory reserve	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 relating to 2006	0.00	0.00	0.00	-12,826,182.60		
Change in available-for-sale reserve						
Transfer to other reserves				-2,528,091.99	323,321.48	2,204,770.50
Transfer to currency translation reserve						
Equity transaction costs			0.00			
Net income for the period						
Other reallocations						
<b>Balance as at 30/09/2007</b>	<b>14,251,314.00</b>	<b>0.00</b>	<b>39,341,973.48</b>	<b>809,429.79</b>	<b>1,884,685.04</b>	<b>10,629,573.56</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		86,329.00	546,711.00			
Capital measures	1,135,000.00		22,700,000.00			
Dividend relating to 2005				-9,758,396.25		
Change in available-for-sale reserve						
Equity transaction costs			-3,097,443.39			
Proceeds from the sale of own shares			1,440,675.50			
Transfer to other reserves				-3,958,478.97	220,364.97	3,738,114.00
Transfer to currency translation reserve						
Net income prior to release of reserves						
<b>Balance as at 30/09/2006</b>	<b>14,251,314.00</b>	<b>0.00</b>	<b>39,638,561.23</b>	<b>-343,225.38</b>	<b>1,459,643.56</b>	<b>8,724,341.32</b>

The listing of the company's shares on Deutsche Börse's official market on 21 July 2006 had a significant impact on equity.

In addition to the shares issued in connection with the capital increase, a portion of the shares held by small shareholders was sold. Taking into account the sale of own shares and including the over-allotment option, 3,030,514 were sold. After taking into account the costs of the IPO, the sale of the shares resulted in a Euro 22.9 million increase in equity, which was not recognised in the income statement.

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		-12,826,182.60
-33,514.80	-12,549.08		-46,063.88		-46,063.88		-46,063.88
			0.00				0.00
		10,943.11	10,943.11	0.00	10,943.11		10,943.11
			0.00				0.00
			0.00	15,806,255.98	15,806,255.98	-12,277.15	15,793,978.83
			0.00				0.00
<b>272,589.04</b>	<b>-86,293.77</b>	<b>1,854,399.50</b>	<b>-35,120.77</b>	<b>15,806,255.98</b>	<b>15,771,135.21</b>	<b>217,894.32</b>	<b>84,981,820.94</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		633,040.00
							23,835,000.00
							-9,758,396.25
10,577.86	2,309.90		12,887.76		12,887.76		12,887.76
							-3,097,443.39
							1,440,675.50
			0.00		0.00		0.00
		397,089.02	397,089.02	-343,403.52	53,685.50		53,685.50
			0.00	13,581,116.42	13,581,116.42	6,778.46	13,587,894.88
<b>157,928.75</b>	<b>21,628.90</b>	<b>734,181.52</b>	<b>409,976.78</b>	<b>13,237,712.90</b>	<b>13,647,689.68</b>	<b>214,607.70</b>	<b>78,096,694.50</b>

## Segment reporting 01/01 – 30/09/2007

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	47,903,740.91	78,196,988.80	36,958,473.96	0.00	0.00	163,059,203.67
Other operating income	3,946,027.57	1,082,737.79	1,439,995.94	2,659,111.62	509,004.45	9,636,877.37
Income from inter-segment transactions	824,479.38	36,524.00	65,873.60	3,201,531.21	-4,128,408.19	0.00
<b>Total segment income</b>	<b>52,674,247.86</b>	<b>79,316,250.59</b>	<b>38,464,343.50</b>	<b>5,860,642.83</b>	<b>-3,619,403.74</b>	<b>172,696,081.04</b>
<b>Segment expenses</b>						
Brokerage expenses						
- Current commission for sales force	-19,549,232.58	-47,873,964.04	-23,136,660.96	0.00	0.00	-90,559,857.58
- Other commission for sales force	-6,163,044.22	-2,001,710.13	-740,102.47	0.00	0.00	-8,904,856.82
Personnel expenses	-6,256,511.97	-3,417,203.34	-2,634,723.03	-2,936,391.92	0.00	-15,244,830.26
Depreciation/amortisation	-1,921,355.78	-607,726.09	-380,209.45	-224,139.01	0.00	-3,133,430.33
Other operating expenses	-12,848,666.59	-8,810,014.24	-6,319,052.71	-8,323,132.70	3,720,041.93	-32,580,824.31
<b>Total segment expenses</b>	<b>-46,738,811.14</b>	<b>-62,710,617.84</b>	<b>-33,210,748.62</b>	<b>-11,483,663.63</b>	<b>3,720,041.93</b>	<b>-150,423,799.30</b>
<b>Segment result before financial result</b>						
Financial result	698,846.37	264,012.75	-112,402.89	788,460.73	-4,080.99	1,634,835.97
<b>Segment result after financial result</b>	<b>6,634,283.09</b>	<b>16,869,645.50</b>	<b>5,141,191.99</b>	<b>-4,834,560.07</b>	<b>96,557.20</b>	<b>23,907,117.71</b>
<b>Additional disclosures</b>						
Investments in intangible and tangible assets	3,925,295.73	1,233,960.48	459,922.16	270,967.71	0.00	5,890,146.08
Other non-cash expenses	-3,718,950.42	-13,979,283.12	-1,997,183.51	-745,325.32	0.00	-20,440,742.37
Impairment expenses recognised in the income statement	-670,792.68	-595,880.68	-481,169.35	-387,460.60	0.00	-2,135,303.31
Total segment assets	46,189,582.58	39,117,540.21	22,538,836.75	51,577,778.81	-11,855,891.72	147,567,846.63
Less deferred taxes and refund claims	-1,535,881.49	-3,832,240.38	-190,537.87	-2,618,309.44	0.00	-8,176,969.18
<b>Segment assets</b>	<b>44,653,701.09</b>	<b>35,285,299.83</b>	<b>22,348,298.88</b>	<b>48,959,469.37</b>	<b>-11,855,891.72</b>	<b>139,390,877.45</b>
Total segment liabilities	32,487,174.89	21,447,869.51	16,569,961.29	4,154,943.11	-12,073,923.11	62,586,025.69
Less deferred taxes and deferred tax liabilities	-777,800.11	-2,619,322.29	-1,587,742.95	-9,143.18	0.00	-4,994,008.53
Less loan commitments	0.00	-291,192.21	-249,460.02	-787,591.95	810,581.68	-517,662.50
Less capitalised lease obligations	0.00	0.00	-21,339.58	0.00	0.00	-21,339.58
<b>Segment liabilities</b>	<b>31,709,374.78</b>	<b>18,537,355.01</b>	<b>14,711,418.74</b>	<b>3,358,207.98</b>	<b>-11,263,341.43</b>	<b>57,053,015.08</b>



## Segment reporting 01/01 – 30/09/2006

of OVB Holding AG, prepared in accordance with 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	45,478,856.71	63,522,270.38	27,164,194.57	0.00	0.00	136,165,321.66
Other operating income	3,481,555.16	270,686.67	1,845,458.94	2,439,893.07	320,310.17	8,357,904.01
Income from inter-segment transactions	606,387.17	57,546.72	168,518.50	2,909,276.07	-3,741,728.46	0.00
<b>Total segment income</b>	<b>49,566,799.04</b>	<b>63,850,503.77</b>	<b>29,178,172.01</b>	<b>5,349,169.14</b>	<b>-3,421,418.29</b>	<b>144,523,225.67</b>
<b>Segment expenses</b>						
Brokerage expenses						
- Current commission for sales force	-18,685,799.99	-37,029,326.38	-17,449,069.88	0.00	0.00	-73,164,196.25
- Other commission for sales force	-4,987,334.73	-2,185,898.11	-482,256.24	0.00	0.00	-7,655,489.08
Personnel expenses	-6,188,313.63	-2,145,417.22	-2,388,799.68	-2,397,978.18	0.00	-13,120,508.71
Depreciation/amortisation	-1,644,819.88	-385,704.49	-373,615.80	-158,706.11	0.00	-2,562,846.28
Other operating expenses	-12,318,330.41	-6,258,592.17	-6,209,853.12	-7,387,207.91	3,270,373.28	-28,903,610.33
<b>Total segment expenses</b>	<b>-43,824,598.64</b>	<b>-48,004,938.37</b>	<b>-26,903,594.72</b>	<b>-9,943,892.20</b>	<b>3,270,373.28</b>	<b>-125,406,650.65</b>
<b>Segment result before financial result</b>						
<b>Financial result</b>	<b>5,742,200.40</b>	<b>15,845,565.40</b>	<b>2,274,577.29</b>	<b>-4,594,723.06</b>	<b>-151,045.01</b>	<b>19,116,575.02</b>
Financial result	496,596.03	71,113.56	-17,975.05	341,129.32	633.61	891,497.47
<b>Segment result after financial result</b>	<b>6,238,796.43</b>	<b>15,916,678.96</b>	<b>2,256,602.24</b>	<b>-4,253,593.74</b>	<b>-150,411.40</b>	<b>20,008,072.49</b>
<b>Additional disclosures</b>						
Investments in intangible and tangible assets	1,092,981.75	460,705.68	144,658.82	132,492.34	-0.01	1,830,838.58
Other non-cash expenses	-3,507,118.34	-3,426,886.65	-944,853.57	-776,083.27	0.00	-8,654,941.83
Impairment expenses recognised in the income statement	-193,448.79	-299,927.14	-445,166.07	-229,550.10	0.00	-1,168,092.10
Total segment assets	48,895,915.51	31,752,418.23	17,333,562.32	47,239,824.60	-13,520,754.87	131,700,965.79
Less deferred taxes and refund claims	-3,075,868.20	-2,552,479.01	-201,199.44	-2,776,155.71	0.00	-8,605,702.36
<b>Segment assets</b>	<b>45,820,047.31</b>	<b>29,199,939.22</b>	<b>17,132,362.88</b>	<b>44,463,668.89</b>	<b>-13,520,754.87</b>	<b>123,095,263.43</b>
Total segment liabilities	33,748,193.54	15,548,175.20	13,524,568.81	3,885,642.83	-13,102,309.09	53,604,271.29
Less deferred taxes and deferred tax liabilities	-686,987.00	-2,186,506.57	-761,198.62	-32,082.82	0.00	-3,666,775.01
Less loan commitments	0.00	-324,850.56	-100,036.94	-1,467,079.73	872,118.03	-1,019,849.20
Less capitalised lease obligations	0.00	0.00	-36,282.25	0.00	0.00	-36,282.25
<b>Segment liabilities</b>	<b>33,061,206.54</b>	<b>13,036,818.07</b>	<b>12,627,051.00</b>	<b>2,386,480.28</b>	<b>-12,230,191.06</b>	<b>48,881,364.83</b>

# IFRS Consolidated Financial Statements

## Notes as at 30 September 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. OVB Holding AG's company address is Heumarkt 1, 50667 Cologne.

#### 2. Basis of preparation

OVB's consolidated financial statements for the third quarter of the 2007 financial year (hereinafter the "interim report") were 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 on the balance sheet date, and as interpreted by the International Financial Reporting Standards Interpretations Committee (IFRIC).

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

This interim report was not audited in accordance with § 317 German Commercial Code (*Handelsgesetzbuch – "HGB"*) and has not undergone review by an auditor.

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

The accounting, valuation and consolidation methods used in this interim report have not changed from those applied in the consolidated financial statements for the year ending 31 December 2006.

## II. SIGNIFICANT EVENTS IN THE INTERIM PERIOD

No significant events have occurred that would require reporting pursuant to IAS 34 (e.g. circumstances unusual for the business, initiated restructuring measures, discontinuation of business divisions).

## III. INFORMATION ON EQUITY

### 1. Share capital

OVH Holding AG's subscribed capital (share capital) has remained unchanged since 31 December 2006 at Euro 14,251,314.00. It is divided into 14,251,314 ordinary shares carrying voting rights.

### 2. Dividends

Distributable amounts are based on the net retained profits of OVH Holding AG, which are determined in accordance with the provisions of German commercial law. As proposed by the Executive Board and the Supervisory Board, the shareholders resolved at the Annual General Meeting on 31 May 2007 to distribute a dividend of Euro 0.90 per no-par value share carrying dividend rights (prior year: Euro 0.75 per ordinary or preferred share). Thus the appropriation of OVH Holding AG's net retained profits was as follows:

#### in Euro

Distribution to shareholders	12.826.182,60
Retained profits carried forward	1.222.440,59
<b>Net retained profits</b>	<b>14.048.623,19</b>

## 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 recognised in other provisions to the extent that they give rise to obligations whose value can be reliably estimated. There have been no material changes since 31 December 2006.

### 2. Number of employees

The OVB Group employed a total of 448 commercial staff as at 30 September 2007, of which 44 worked in a managerial capacity.

## V. SIGNIFICANT EVENTS SINCE 30 SEPTEMBER 2007

No significant events have occurred since 30 September 2007, the closing date for this interim report.

Cologne, 12 November 2007



Michael Frahnert



Oskar Heitz

# Financial Calendar

15 November 2007	Results for the third quarter of 2007
March 2008	Publication of 2007 annual financial statements
May 2008	Results for the first quarter of 2008
3 June 2008	Annual General Meeting
August 2008	Results for the second quarter of 2008
November 2008	Results for the third quarter of 2008



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