

# Press Release

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## Annual financial statements 2006: New records for sales and earnings

- Total sales commission up 17.7% to €213.3 million
- EBIT rises by 33.8% to €24.1 million
- Consolidated net income climbs to €16.3 million
- Earnings per share hit record value of €1.21 per share
- Executive Board and Supervisory Board propose dividend increase to €0.90
- Outlook 2007: total sales commission to reach €230 million; EBIT growth of at least 11%

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**Cologne, 26 March 2007** – The OVB Group (ISIN DE0006286560), which operates in 14 European countries, has expressly confirmed its growth trend of recent years in financial year 2006: Total sales commission reached a record level of €213.3 million, an increase of 17.7% as against the previous year. OVB increased its earnings before interest and taxes (EBIT) by 33.8% to €24.1 million, again significantly stronger than sales.

Consolidated net income rose by 24.2% to €16.3 million. Thus, earnings per share reached the record level of €1.21 – a rise of 19.8% as against the figure for the previous year of €1.01.

All three regions – Germany, Central and Eastern Europe, and Southern and Western Europe – contributed to this profitable growth. In addition to the ongoing dynamic growth of the Central and Eastern Europe region, which increased its EBIT contribution by 28.5% to €19.4 million, overall EBIT growth was driven by the earnings improvement in Germany in particular. Here, EBIT doubled as against the previous year to €7.8 million. The Southern and Western Europe segment also

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increased its earnings by one-third as against the previous year to €3.8 million. The EBIT margin, calculated on the basis of total sales commission, rose from 9.9% in 2005 to 11.3%. "After adjustment for the non-recurring expense of the IPO of €1.5 million, the EBIT margin for 2006 amounted to 12%," explained Michael Frahnert, Chief Executive Officer of OVB Holding AG.

"Thus, OVB has continued its sustained growth trend for the third year running, which included 2005, a year of upheaval in private provisions, in which some areas of the sector posted declines," emphasised Frahnert.

Given the most successful financial year in the history of the Company to date, the Supervisory Board concurs with the Executive Board's proposal to the Annual General Meeting to allow shareholders to participate in this success by increasing the dividend by 20% to €0.90 per share. Based on the current share price, this is equal to a dividend yield of 3.6%. If the Annual General Meeting also agrees with the dividend proposal on 31 May, this would mean a distribution volume of €12.8 million (previous year: €9.8 million).

In the past year, 4,210 full-time financial consultants, an increase of 8.6% as against the previous year, attracted 140,000 new customers, raising the total number of people being advised throughout Europe to 2.44 million. Three-quarters of these live outside Germany. "60% of our sales performance and over two-third of our earnings are generated in markets in Central and Eastern Europe and Southern and Western Europe. Thus, OVB has become a financial services provider for all of Europe," said Frahnert of the successful performance in the past year. "This high level of internationalisation distinguishes OVB from the competition".

Regarding the Company's goals for 2007, Frahnert stated that the market potential in countries where OVB is already established is far from exhausted. At the same time, the Company will be extending its business activities regionally. The first milestone in 2007 was reached in February 2007 with the founding of a national company in the Ukraine. For the year as a whole, OVB expects to reach a level of €230 million for total sales commission and is assuming EBIT growth of at least

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10%. "OVB is now excellently positioned to meet the growing demand for expert consulting and financial services brokerage. We will continue our earnings-oriented growth trend and consolidate our position as the financial services provider for Europe," declared Frahnert confidently.

Earnings for the first quarter of 2007 will be reported on 15 May 2007. The Annual General Meeting has been convened for 31 May 2007 in Cologne.

## Key figures of the OVB Group for financial year 2006

	Unit	2005	2006	Change
<b>Key operating figures</b>				
Clients	Number	2.30 million	2.44 million	+ 6.1%
Financial advisors	Number	3,876	4,210	+ 8.6%
New policies	Number	635,000	625,000	- 1.6%
Total sales commission	€ million	181.2	213.3	+ 17.7%
<b>Key financial figures</b>				
Earnings before interest and taxes (EBIT)	€ million	18.0	24.1	+ 33.8%
EBIT margin*	%	9.9	11.3	+ 1.4%pts.
Consolidated net income	€ million	13.1	16.3	+ 24.4%
Earnings per share (basic)	€	1.01	1.21	+ 19.8%
Dividend per share**	€	0.75	0.90	+20.0%

\* Based on total sales commission

\*\* Proposed for 2006

## Key figures by region for financial year 2006

	Unit	2005	2006	Change
<b>Germany</b>				
Total sales commission	€ million	85.8	89.9	4.8%
Brokerage income	€ million	58.9	65.2	10.7%
EBIT	€ million	3.9	7.8	+100.0%
EBIT margin*	%	4.6	8.7	4.1%pts.
<b>Central and Eastern Europe</b>				
Total sales commission	€ million	64.7	85.7	+32.5%
Brokerage income	€ million	60.6	84.1	+38.8%
EBIT	€ million	15.1	19.4	+28.0%
EBIT margin*	%	23.4	22.6	-0.8%pts.
<b>Southern and Western Europe</b>				
Total sales commission	€ million	30.7	37.7	+22.8%
Brokerage income	€ million	30.7	37.7	+22.8%
EBIT	€ million	2.8	3.8	+35.7%
EBIT margin*	%	9.1	10.2	+1.1%pts.

\* Based on total sales commission

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