

MLP Q2 ad hoc

In an ad hoc release, MLP indicated that preliminary figures show Q2'25 EBIT around EUR 5m which is significantly below the Q2'24 EUR 11.7m level. Whilst this is clearly below PAsE EUR 13.7m, it seems that this drop can be attributed to a combination of being compared to an inflated Q2'24 result as well as timing issues with respect to IT expenses in Q2'25. In our view, the key message from today's ad hoc is that full year guidance calling for EBIT in the EUR 100-110m range is confirmed. Ahead of the detailed results (14 August) we leave our model at EUR 106m EBIT and confirm our buy rating with a EUR 9.8 target price.

Q2'25 EBIT significantly below Q2'24, but an increase for the full year is confirmed with annual guidance at EUR 100-110m

Preliminary figures show Q2 EBIT around EUR 5m which is less than half the previous year's level of EUR 11.7m and would mean H1 around EUR 43m compared to EUR 48.7m in H1'24. Despite this year-on-year drop, annual guidance continues to call for EBIT to increase from the EUR 95m level and is forecast to be in the EUR 100-110m range. Ahead of the detailed results (14 August) we leave our model at EUR 106m for EBIT.

An inflated Q2'24 comparative and Q2'25 timing issues are said to lie behind the drop in the current quarter

When looking back at the Q2'24 results, it was indicated at the time that performance fees within Wealth Management had inflated revenues by EUR 5-5.5m. Although not given precisely, we estimate that these fees contributed EUR 3.5-4m at the EUR 11.7m EBIT level and would not have been repeated in Q2'2025. At the same time, phasing with higher investments in the IT infrastructure and in IT consulting services has inflated Q2'25 operating costs. These are not normally provided on a quarterly basis, but we note that IT costs amounted to EUR 52m and Consulting EUR 29m in full year 2024, and simply taking a quarter of this could indicate c.EUR 20m on a quarterly basis. If the current year sees a bunching of these expenses in Q2 and remembering the seasonal low EBIT level normally generated in the period (i.e. just 12% of 2024's annual EBIT total), then a large drop in this year's Q2 can be both explained and reconciled with confirmed annual guidance.

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