

Financial results H1/Q2 2017

Reinhard Loose, CFO

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Finanzen verstehen. Richtig entscheiden.

Agenda

- Highlights H1 2017
- Key financial figures H1/Q2 2017
- Consultants and clients
- Outlook and summary
- Questions & Answers

Highlights H1 2017

- **Total revenue** increases by 6 percent to **€ 300.6 million**
- **Operating EBIT** rises to **€ 15.9 million** (H1 2016: € 9.3 million)
- Highest growth rates in **wealth management** (+16 %), **loans and mortgages** (+13 %) and in the **real estate brokerage** („other commissions and fees“ +65 %)
- **Strategic initiatives** are continuously running **according to schedule**
- **Forecast confirmed: Operating EBIT** should reach **at least € 45 million** in 2017

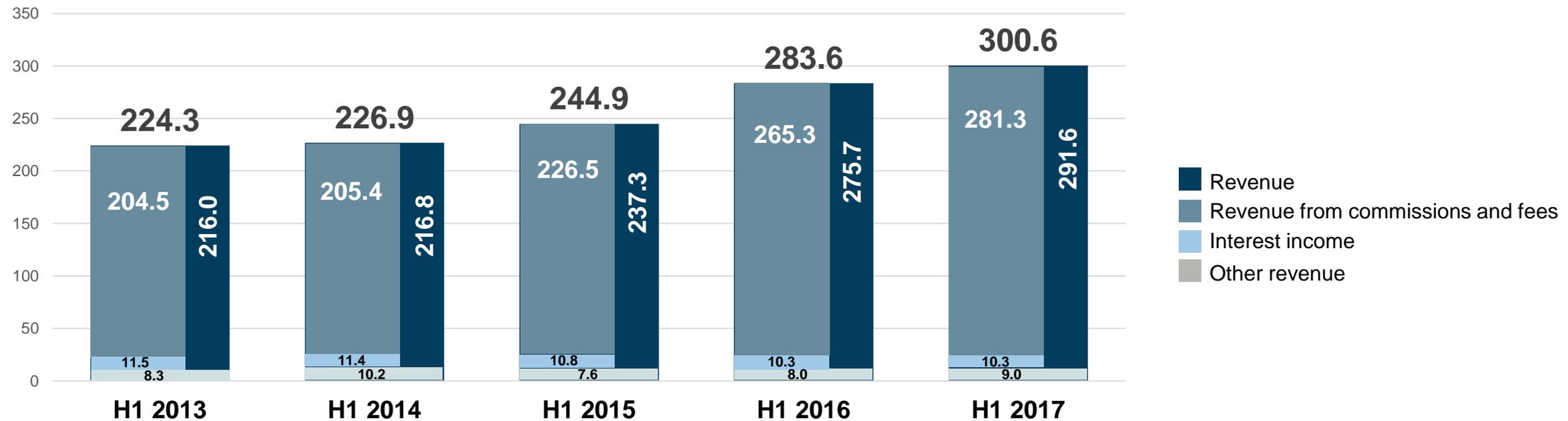
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Highest H1 revenue for five years

Total revenue H1

in € million



Strong growth in wealth management and in the real estate brokerage („other commissions and fees“)

Revenue

in € million

| | Q2 2016 | Q2 2017 | Δ in % | H1 2016 | H1 2017 | Δ in % |
|----------------------------|---------|---------|--------|---------|---------|--------|
| Old-age provision | 45.3 | 42.0 | -7 | 81.6 | 77.2 | -5 |
| Wealth management | 40.4 | 46.4 | 15 | 79.3 | 92.1 | 16 |
| Health insurance | 11.4 | 10.9 | -4 | 23.3 | 22.7 | -2 |
| Non-life insurance | 18.0 | 19.4 | 8 | 68.7 | 72.3 | 5 |
| Loans and mortgages* | 3.2 | 3.9 | 22 | 6.8 | 7.7 | 13 |
| Other commissions and fees | 3.3 | 5.0 | 52 | 5.7 | 9.4 | 65 |
| Interest income | 5.1 | 5.2 | 2 | 10.3 | 10.3 | 0 |

Wealth management:

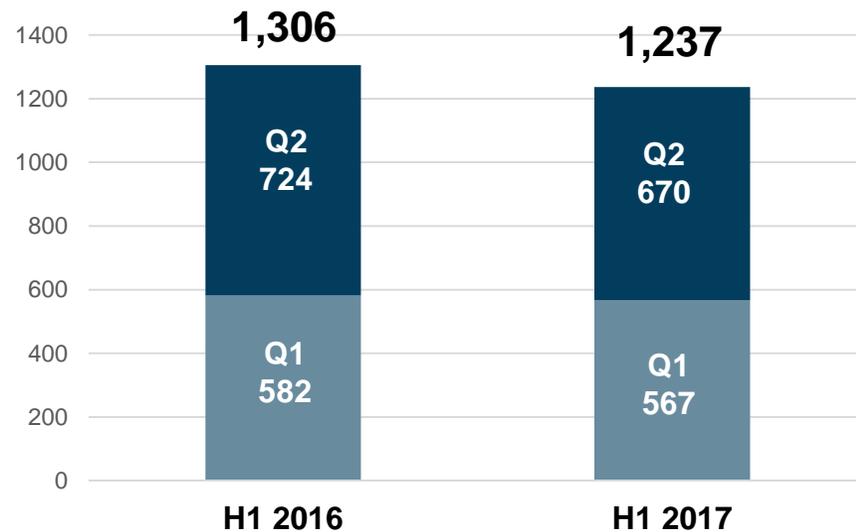
- Assets under management increase to € 32.0 billion (31/03/2017: € 31.6 billion)

*excluding MLP Hyp

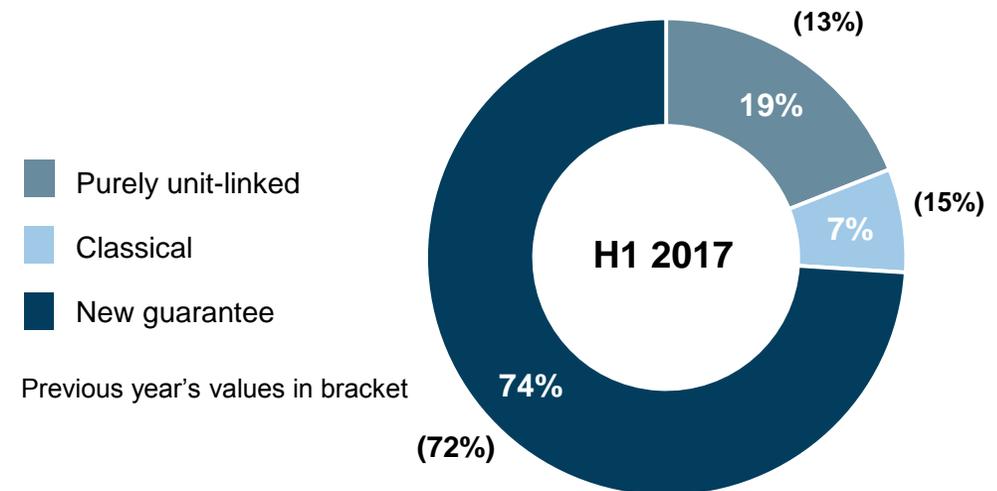
Old-age provision: MLP remains the market leader at new guarantees

Premium sum: old-age provision

in € million



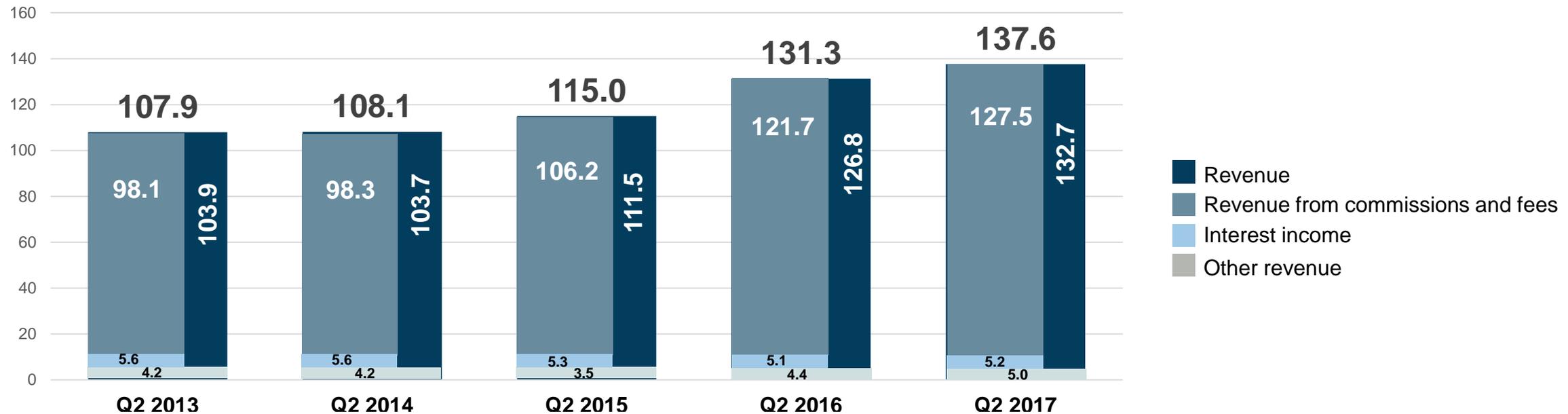
MLP product mix at newly brokered contracts



Q2: Total revenue increases by 5 percent to € 137.6 million

Total revenue Q2

in € million



H1: Operating EBIT at € 15.9 million significantly above the previously years figure

Income statement

| in € million | Q2 2016 | Q2 2017 | H1 2016 | H1 2017 |
|---------------------------------|---------|---------|---------|---------|
| Total revenue | 131.3 | 137.6 | 283.6 | 300.6 |
| Operating EBIT* | 0.4 | 2.7 | 9.3 | 15.9 |
| EBIT | -1.0 | 2.1 | 7.7 | 14.5 |
| Finance cost | -0.3 | -0.1 | -0.4 | -0.6 |
| EBT | -1.2 | 1.9 | 7.3 | 13.9 |
| Taxes | 0.7 | 0.0 | -1.7 | -3.4 |
| Group net profit | -0.6 | 2.0 | 5.6 | 10.5 |
| EPS in € (diluted/undiluted) | -0.01 | 0.02 | 0.05 | 0.10 |

One-off expenses for further optimisation of the group structure.

- H1 2017: € 1.4 million (€ 1.6 million)
- Q2 2017: € 0.6 million (€ 1.4 million)

*before one-off exceptional costs

Core capital ratio at 16.3 percent

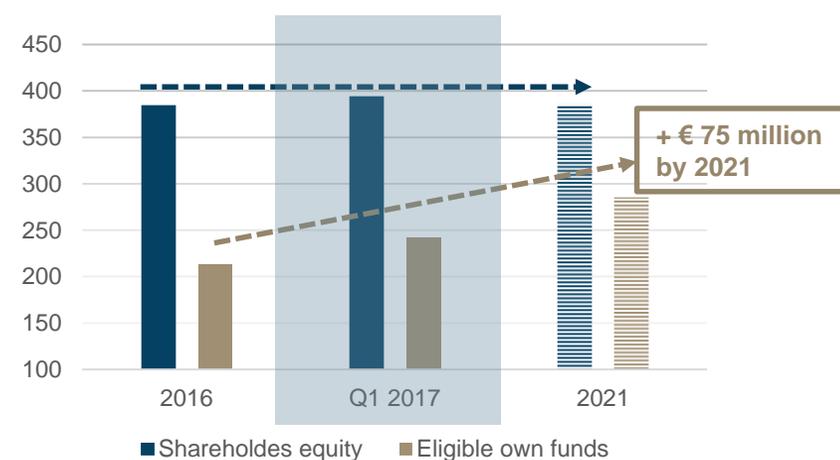
in € million

| Assets | 31/12/2016 | 30/06/2017 |
|--|-------------------|-------------------|
| Intangible Assets | 168,4 | 164,9 |
| Financial Assets | 162,3 | 194,1 |
| Receivables from clients in the banking business | 626,5 | 677,7 |
| Receivables from banks in the banking business | 591,0 | 635,7 |
| Other receivables and assets | 122,8 | 89,2 |
| Cash and cash equivalents | 184,8 | 158,4 |
| Liabilities and shareholders equity | | |
| Shareholders equity | 383,6 | 387,9 |
| Provisions | 91,2 | 75,5 |
| Liabilities due to clients in the banking business | 1.271,1 | 1.359,9 |
| Liabilities due to banks in the banking business | 37,7 | 52,2 |
| Other Liabilities | 146,9 | 115,1 |
| Total | 1.944,1 | 2.003,6 |

Equity ratio: 19.4 %

Core capital ratio : 16.3 %

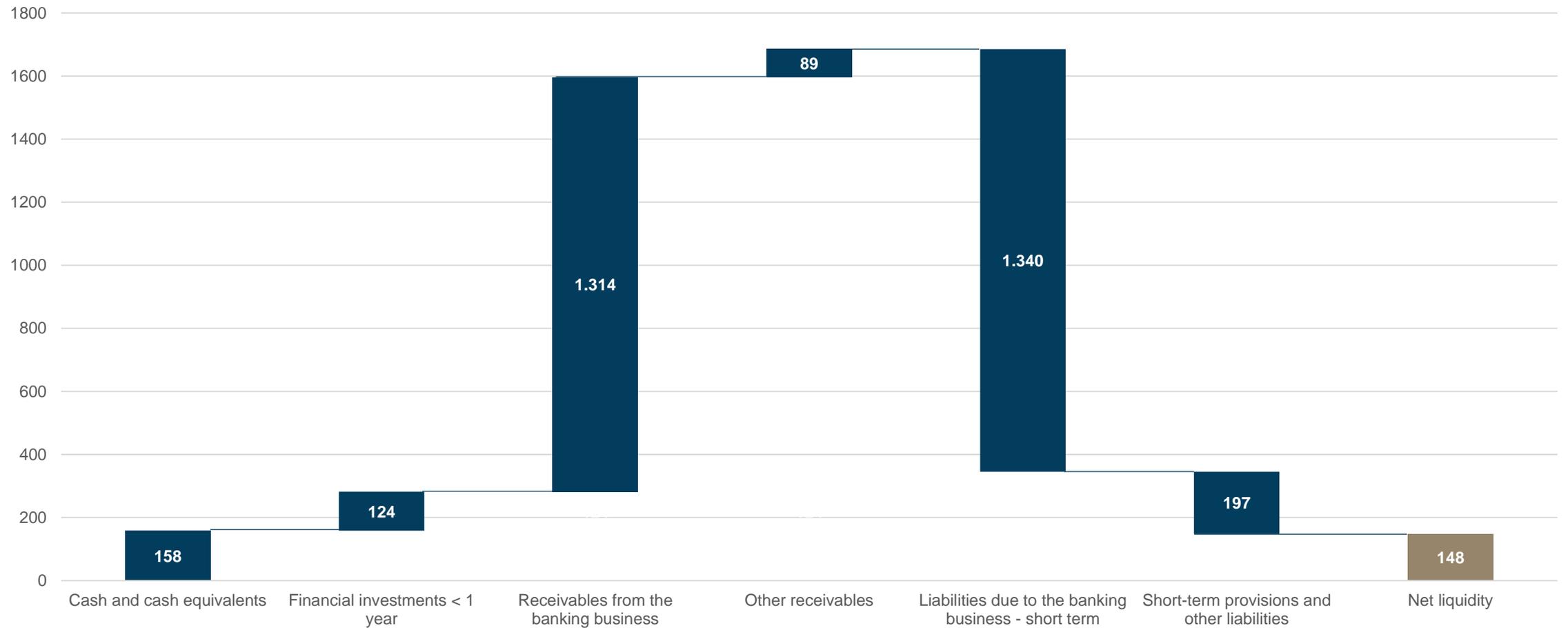
Eligible own funds: ~240 € million



Net liquidity of around € 148 million

30/06/2017

[in € million]

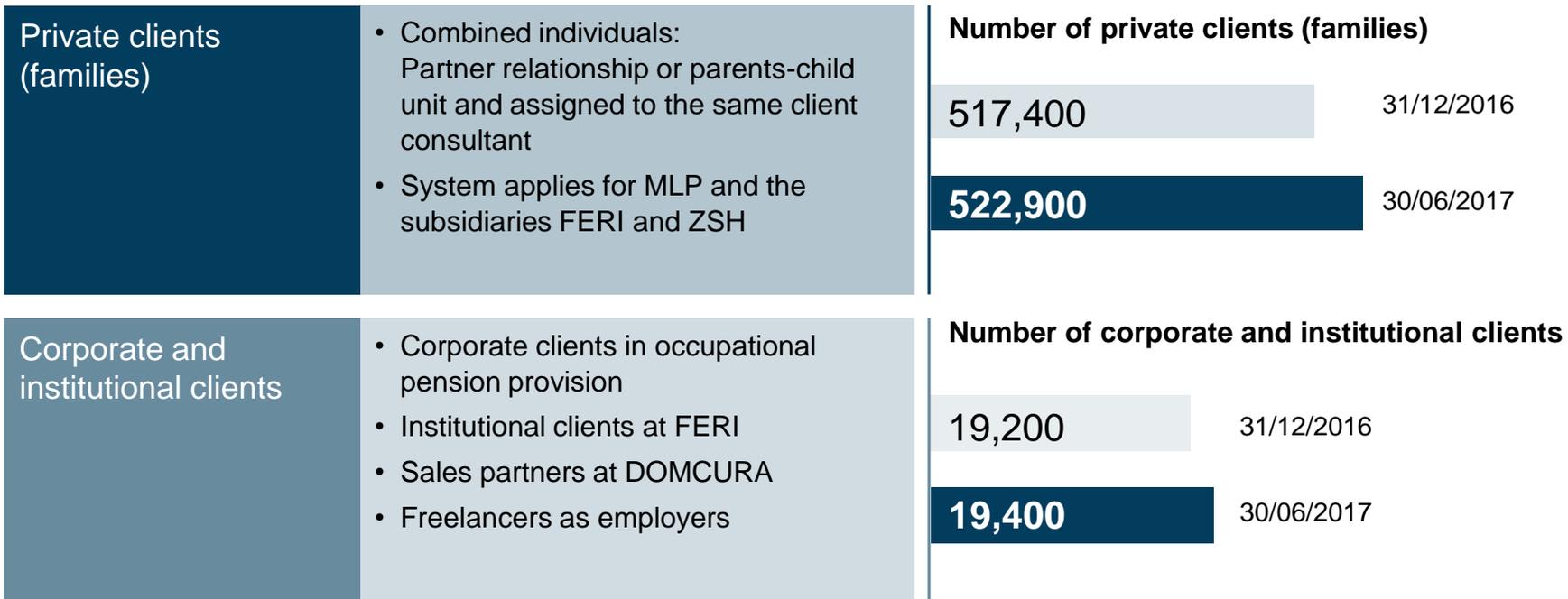


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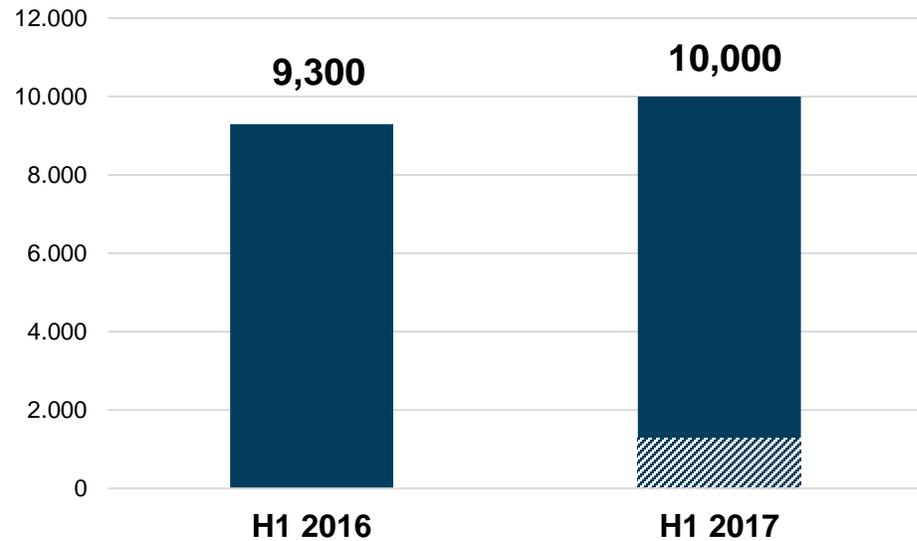
MLP serves 522,900 private and 19,400 corporate clients

Client base: family clients / corporate and institutional clients



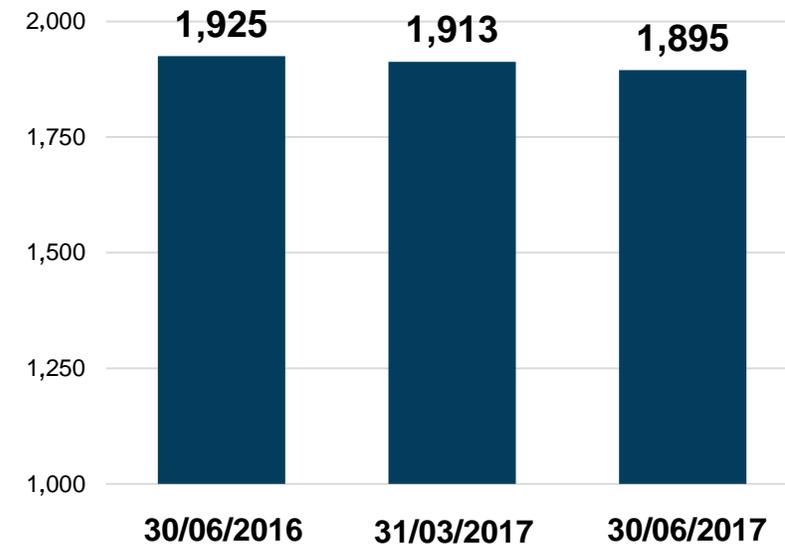
MLP attracts 10,000 new clients (families)

Gross number of new clients (families)



13 % of new clients in H1 acquired via online policy sales

Consultants



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Strategic initiatives running according to plan

Strategic focus

1

Organic growth

2

Inorganic growth

3

Continued Cost management

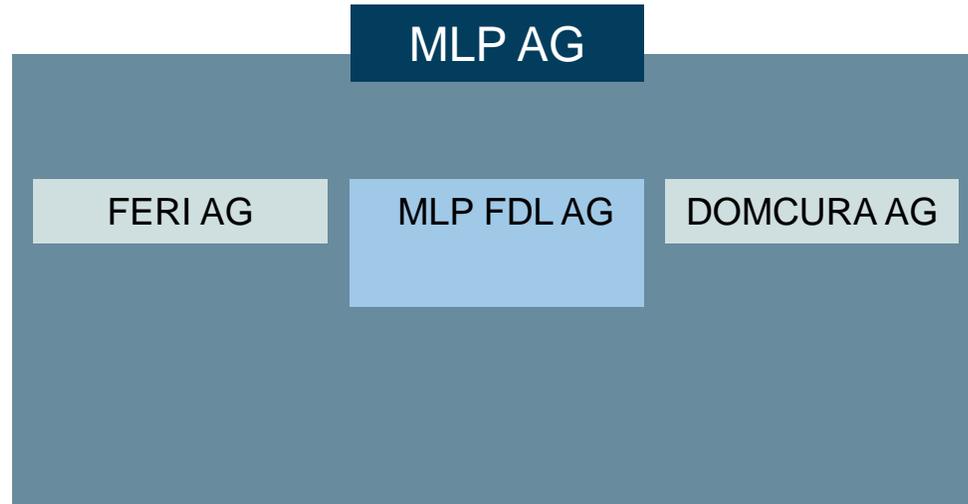
Implementation

- **Extension of the scope for action** regarding future investments through altered group structure
- **Strengthening of the university segment in the private client business** through focus on core topics for young clients and consultants
- Further broadening of revenue basis: primarily through further expansion of wealth management and non-life insurance business
- Continued implementation of digitalisation strategy: in particular extension of digital information and service offers
- MLP Group open to acquisitions in two areas:
 - In the market segment of FERI and DOMCURA
 - In MLP's private client business
- Structural reduction of cost base initiated in 2016 – ongoing efficiency management programme

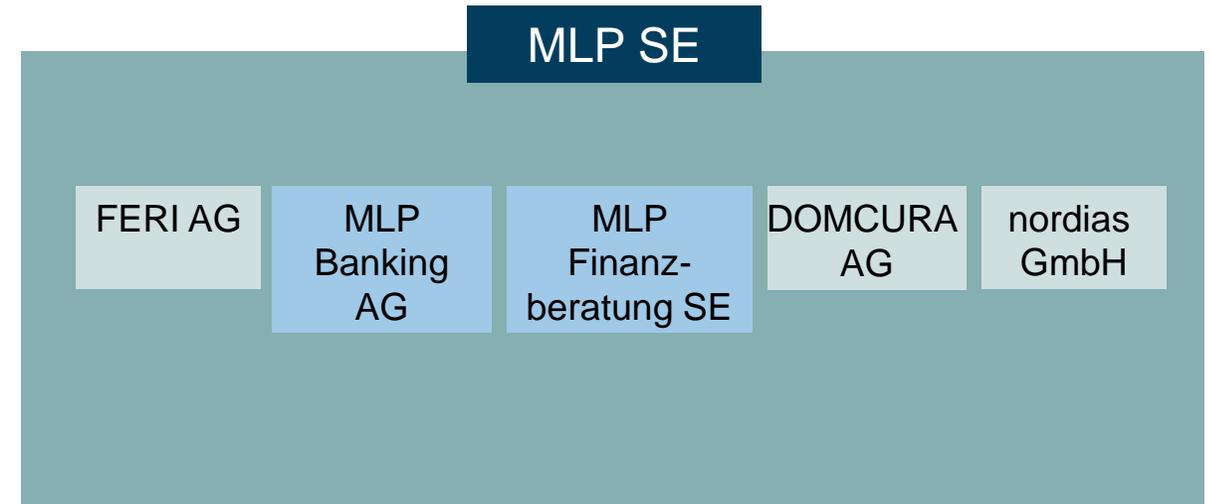
Making MLP more independent of short-term market influences and returning it to a significantly increased profit level

Banking activities with supervisory or regulatory relevance to be bundled at one company

Current structure



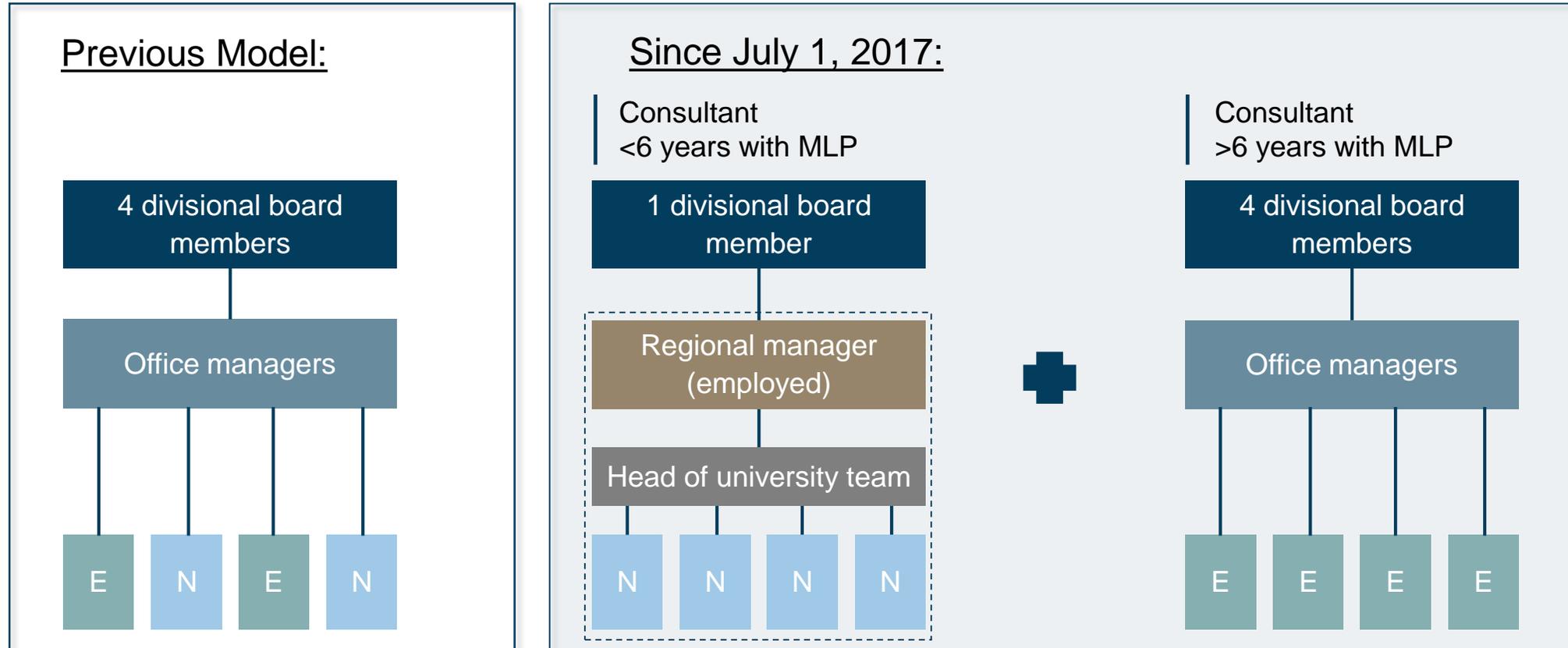
Intended structure



- Current scope of services for clients will be maintained
- Better opportunities for strategic collaborations

Sharper focus on university segment

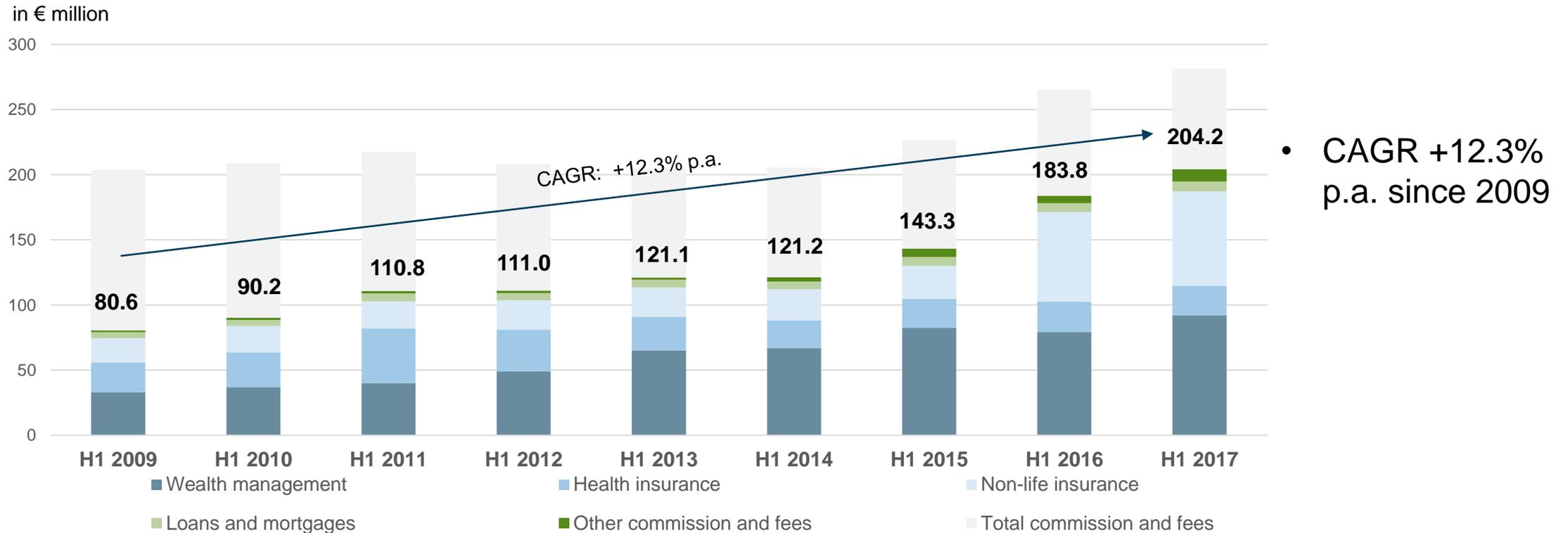
MLP Sales Organisation



N = Focus: Winning new clients
E = Focus: Serving existing clients

Successful diversification beyond the old-age provision

Commission income in H1 (all consulting areas, excl. old-age provision)



Online policy sales successfully launched for basic products

Online policy sale

- 13 % of new client in H1 acquired via online policy sales
- Further products to be added gradually from 2017 onwards
- More than 50,000 prospects acquired online in 2016
- Client portal successfully launched in April 2017



Outlook: Operating EBIT of at least € 45 million anticipated

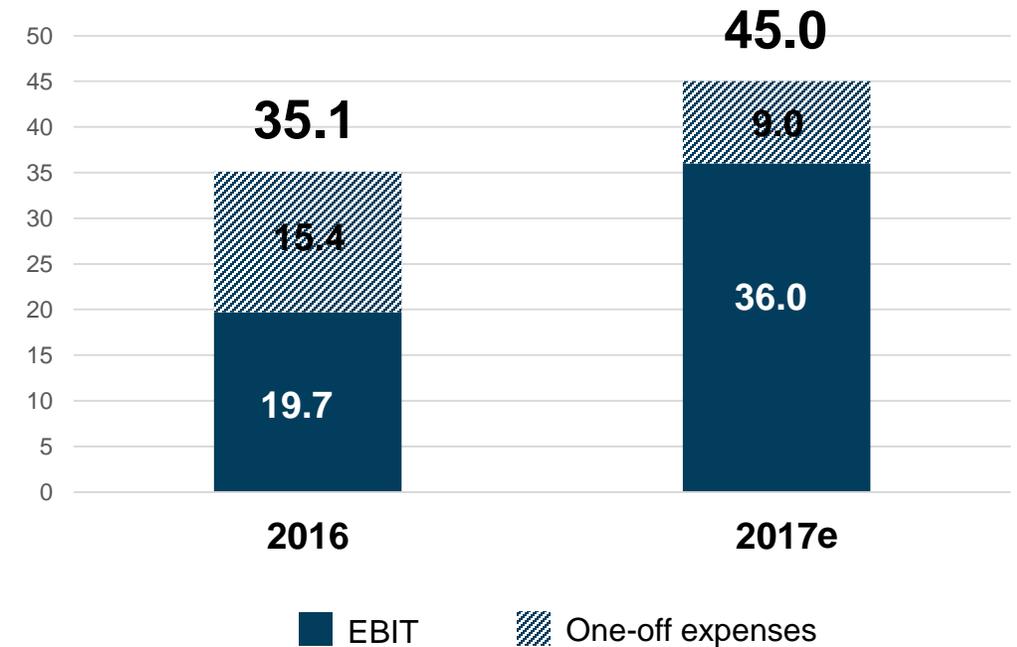
Qualitative assessment of the development of sales revenues

| | 2017 |
|---------------------------------|------|
| Revenue from old-age provision | 0 |
| Revenue from health insurance | 0 |
| Revenue from wealth management | + |
| Revenue from non-life insurance | + |

very positive: ++, positive: +, neutral: 0, negative: -, very negative: --

Operating EBIT

in € million



Summary

- MLP laid solid foundations in the first half of the year
- **Strategic initiatives** are continuously running **according to schedule**
- **As is crucial in our business model, the second half of the year is particularly important – above all the fourth quarter**
- **High market burdens remain** – especially in the old-age provision
- **Outlook confirmed:** Operating EBIT of at **least € 45 million** anticipated

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Contact

MLP Corporate Communications
Alte Heerstr. 40
69168 Wiesloch
Deutschland

- **Jan Berg, Head of Corporate University/Corporate Communications**
- **Andreas Herzog, Head of Investor Relations and Financial Communications**

Tel.: +49 (0) 6222 308 8310

Fax: +49 (0) 6222 308 1131

investorrelations@mlp.de

www.mlp-ag.de