Interim Group report for the first half year and the second quarter of 2021

MLP

MLP key figures

All figures in € million	Q2 2021	Q2 2020	H1 2021	H1 2020	Change in %
MLP Group					
Total revenue	200.4	165.3	421.8	359.0	17.5%
Revenue	195.8	158.2	411.5	347.6	18.4%
Other revenue	4.6	7.1	10.4	11.4	−9.0%
Earnings before interest and taxes (EBIT)	9.6	8.1	31.4	18.8	67.4%
EBIT margin (in %)	4.8%	4.9%	7.4%	5.2%	–
Net profit	5.4	5.6	21.2	13.1	61.1%
Earnings per share (diluted/basic) (in €)	0.05	0.05	0.19	0.12	58.3%
Cash flow from operating activities	107.0	−4.7	380.5	159.0	139.3%
Capital expenditure	2.2	2.5	4.4	4.7	−6.4%
Shareholders' equity	–	–	451.2	454.0 [1]	−0.6%
Equity ratio (in %)	–	–	12.8%	14.0% [1]	–
Balance sheet total	–	–	3,513.5	3,235.0 [1]	8.6%
Private clients (families)	–	–	557,100	554,900 [1]	0.4%
Corporate and institutional clients	–	–	24,500	22,500 [1]	8.9%
Consultants	–	–	2,053	2,086 [1]	−1.6%
Branch offices	–	–	129	129 [1]	0.0%
University teams	–	–	102	102 [1]	0.0%
Employees	–	–	2,091	1,835	14.0%
Brokered new business					
Old-age provision (premium sum)	852.4	740.6	1,597.7	1,426.0	12.0%
Loans and mortgages	707.4	585.3	1,427.4	1,196.1	19.3%
Assets under management (in € billion)	–	–	51.4	42.7 [1]	20.4%
Non-life insurance (premium volume)	–	–	430.8	547.0 [1]	−21.2%
Real estate (brokered volume)	129.0	79.4	219.0	157.3	39.2%

[1] As of December 31, 2020

THE FIRST HALF YEAR AND SECOND QUARTER OF 2021 AT A GLANCE

- At € 31.4 million after the first six months of the year, EBIT is significantly above the previous year's level (H1 2020: € 18.8 million, H1 2019: € 12.2 million); an increase was also recorded in the second quarter to € 9.6 million (Q2 2020: € 8.1 million) despite opposing effects
- H1: Total revenue up 17 percent to a new record high of € 421.8 million (H1 2020: € 359.0 million)
- Revenue increases recorded in all fields of consulting, above all real estate brokerage (up 39 percent) and wealth management (up 33 per-cent) – assets under management surpass the € 50 billion mark for the first time at € 51.4 billion (March 31, 2021: € 48.2 billion)
- Forecast for 2021: Upper end of the communicated EBIT corridor of € 55 to 61 million anticipated
- MLP confirms its 2022 planning (EBIT between € 75 and 85 million)

TABLE OF CONTENTS

Introductory notes

This quarterly Group statement presents significant events and business transactions of the first half and second quarter of 2021 and updates forecast-oriented information contained in the last joint management report. The Annual Report is available on our website at www.mlp-se.com and also at www.mlp-annual-report.com. In the description of the MLP Group's financial position, net assets and results of operations pursuant to International Financial Reporting Standards (IFRS), the previous year's figures are given in brackets. The information in this quarterly Group statement has neither been verified by an auditor nor subjected to a review.

Profile

The MLP Group is the partner for all financial matters

The MLP Group is the partner for all financial matters – for private clients as well as companies and institutional investors. With our six brands, each of which enjoys a leading position in their respective markets, we offer a broad range of services:

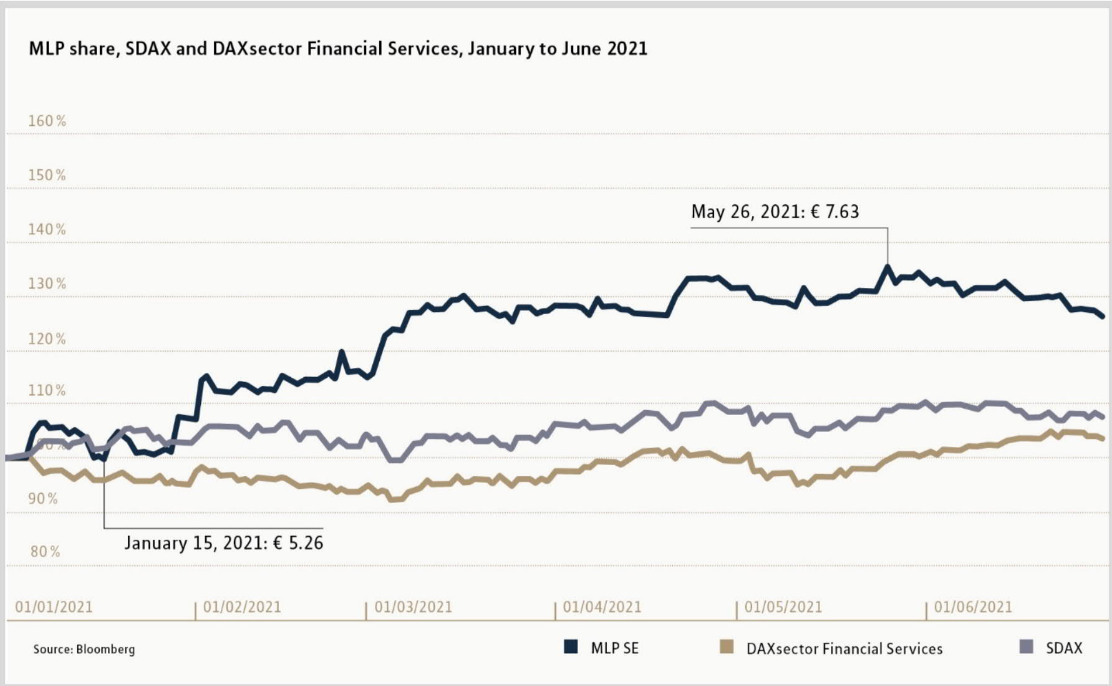
- MLP: The dialogue partner for all financial matters
- FERI: The investment expert for institutional investors and high net-worth individuals
- DOMCURA: The underwriting agency focusing on private and commercial non-life insurance products
- TPC: The specialist in occupational pension management for companies
- DEUTSCHLAND.Immobilien: Market place for investment properties
- RVM: The industrial insurance broker with a focus on SMEs

The views and expectations of our clients always represent the starting point in all fields. Building on this, we then present them with suitable options in a comprehensible way so that they can make the right financial decisions themselves. In advising and supporting our clients, we examine the offers of all relevant product providers in the market. Our product ratings are based on scientifically substantiated market and product analyses.

Manfred Lautenschläger and Eicke Marschollek founded MLP in 1971. More than 2,000 client consultants and around 2,000 employees work at MLP.

Investor Relations

The financial markets enjoyed a fantastic start to the first half of 2021 with almost all leading indices hitting new record levels. Despite the third wave of coronavirus and worldwide restrictions in terms of public life, the markets were bolstered by a loose monetary policy and strengthened economic prospects. Even fears of a sharp increase in inflation could not hold Germany's leading index, the DAX, back from hitting a new all-time high of 15,802 points. At the end of the first half of the year, the gains were 13.2 %. A similar scenario was also observed on Wall Street and the Asian markets. Alongside the Dow Jones, which climbed to a new record high of 35,091 points, the Japanese Nikkei Index once again hit the 30,000 point mark for the first time since 1990. The commodity markets also displayed a more significant increase, reaching the top of the performance table with average growth of 30 % in the first half of 2021. However, this was offset by severe losses in government bonds and gold, which had previously always been considered safe havens. Rising returns among medium and long-term investments clouded the picture here.



The MLP Share

The MLP share also benefited from the price rally on the German stock market. Having started the year at € 5.40, the share already succeeded in surpassing the € 6 mark in February and then continued to climb. Following publication of the figures from the financial year 2020 and for the first quarter of 2021, the share was even able to leave the € 7 mark in its wake and reached a new record high of € 7.63 on May 26, 2021. The last time the share was traded at this price level was back in February 2011. Positive analysts' assessments and raised upside targets served to underpin this price trend. The price only declined slightly at the end of June and closed the first half of the year at € 6.97, which represents a gain of 29 %.

Key figures on the MLP share

	H1 2021	H1 2020
Share capital as of June 30, 2021	109,334,686 [1]	109,334,686 [2]
Share price at the beginning of the year	5.42 €	5.60 €
Highest price	7.63 €	5.98 €
Lowest price	5.26 €	3.73 €
Share price as of June 30, 2021	6.97 €	5.46 €
Dividends for the previous year	0.23 €	0.21€
Market capitalisation (end of reporting period)	**762,062,761 €**	**596,967.386 €**

[1] As of June 30, MLP SE held 20,598 shares in treasury.

[2] As of June 30, MLP SE held 8,500 shares in treasury.

Share buyback

As announced during the 2017 Annual General Meeting, MLP established another share-based participation programme at the start of the financial year 2021 for MLP office managers and MLP consultants with the aim of strengthening the collaborative component in the MLP business model. In the time period from January 4 to March 12, 2021, a total of 543,236 shares were bought back at an average share price of € 6.2588. 531,138 shares were then issued to the beneficiaries, meaning that MLP SE still held 20,598 shares in treasury as of June 30, 2021.

Shareholder structure

Talanx AG reduced its stake from 4.98 % to 2.86 % in the first half of 2021 (announcement from March 10, 2021). HanseMerkur Krankenversicherung auf Gegenseitigkeit, on the other hand, increased its stake from 5.10 % to 10.03 % (announcement from April 20, 2021). The share of voting rights held by other shareholders remained virtually unchanged on the reporting date. The Lautenschläger family remains the largest single MLP shareholder with a total share of the voting rights of around 29.16 %. The free float as of June 30, 2021 is therefore 46.13 % as per the definition of the German stock exchange.

MLP Annual General Meeting

MLP SE held its Regular Annual General Meeting for the financial year 2020 on June 24, 2021. The event was held entirely online again. In taking this step, the financial services provider reacted to the ongoing coronavirus pandemic and made use of the option provided by the legislator to hold purely virtual annual general meetings. Shareholders were able to follow the entire Annual General Meeting live via a shareholder portal. In the runup to the Annual General Meeting, shareholders in MLP SE were also given the opportunity to post video messages on the password-protected shareholder portal. All questions submitted within the deadline were addressed in full by the Executive Board.

All items on the agenda were approved by shareholders with a large majority. The shareholders voted virtually unanimously (99.99 %) to approve the proposal of the Supervisory Board and Executive Board to pay a dividend of € 0.23 per share. The distribution rate was therefore 58 % of Group net profit. Discharge was granted to the Executive Board and Supervisory Board with an approval rate of 98.17 and 91.53 %

respectively. With an approval rate of 99.96 %, the shareholders also accepted the proposal to appoint BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, Germany as auditor and Group auditor for the financial year 2021. Authorizations to purchase own shares were issued with 98.34 % of votes and authorizations for the use of equity derivatives to purchase them with 86.16 %. In addition, the system for compensation of the members of the Executive Board was approved with 84.84 % of votes and the adjustment of the compensation and the compensation system for the Supervisory Board with 99.94 %.

In total, 78.0 % of the share capital was represented.

All information on the Annual General Meeting is available at www.mlp-agm.com.

Interim Group report for the first half year and second quarter 2021

The values disclosed in the following interim group report have been rounded to one decimal place. As a result, differences to reported total amounts may arise when adding up the individual values.

FUNDAMENTAL PRINCIPLES OF THE GROUP

In comparison with the corporate profile described in MLP's 2020 Annual Report, the changes presented below were made during the reporting period. These relate to organisation and administration.

You can find detailed information on our business model, our corporate structure and our control system in the MLP Group Annual Report 2020 at www.mlp-annual-report.com.

On the basis of the resolution of the Annual General Meeting from June 29, 2017 to buy back own shares, a total of 543,236 shares with a pro rata amount of € 1.00 each in the share capital were bought back at an average price of € 6.2587 per share in the time period from January 4, 2021 to March 12, 2021. This corresponds to around 0.50 % of our share capital of € 109,334,686. The buyback was used to serve a participation programme for our self-employed commercial agents and branch office managers. The respective buybacks were published in detail on our company's website. Following transfer of the shares to the eligible participants, a total of 20,598 shares remain in the company's own portfolio.

Change to organsiation and administration

On February 8, 2021, MLP Assekuranzmakler Holding GmbH (formerly: MLP Consult GmbH), today operating as RVM GmbH, signed the acquisition agreement for 100 % of the shares in RVM Versicherungsmakler GmbH & Co. KG., including its main subsidiaries ("RVM"). With its well-established business model, the industrial insurance broker RVM has a strong focus on small and medium-sized enterprises and supports more than 2,500 companies in this segment. The acquisition constitutes the essential basis for developing the commercial and industrial insurance market segment. The intention is to add small market members to RVM and thus establish a broker group that can operate at eye level with the top ten in Germany in the medium term. The transaction was completed on schedule on April 1, 2021, with economic effect from January 1, 2021. In line with IFRS stipulations, changes in the earnings of these entities are reported in shareholders' equity up to the actual closing date. The income statement was therefore only affected as of April 1, 2021.

With the contract dated May 12, 2021, MLP Assekuranzmakler Holding GmbH, today operating as RVM GmbH, acquired 100 % of the shares in Adolph Jahn GmbH & Co. KG, Ed. Sengstack & Sohn GmbH & Co. KG, Hans L. Grauerholz GmbH, as well as Erich Schulz GmbH. This corporate alliance has a great deal of expertise in the field of transport insurance and generates annual sales revenue of € 2 million with just 15 employees. The transaction is expected to be completed in Q3 2021.

Changes in the scope of consolidation

The new Industrial Broker segment was reported for the first time in the second quarter of 2021. The Industrial Broker segment is currently home to RVM Versicherungsmakler GmbH & Co. KG, including its subsidiaries, under the holding RVM GmbH (RVM). Once the acquisition of the corporate group around Adolph Jahn GmbH & Co. KG has been completed, these companies are expected to be also part of the Industrial Broker segment at a later date. You can find more details on this segment in the segment reporting.

Research and develeopment

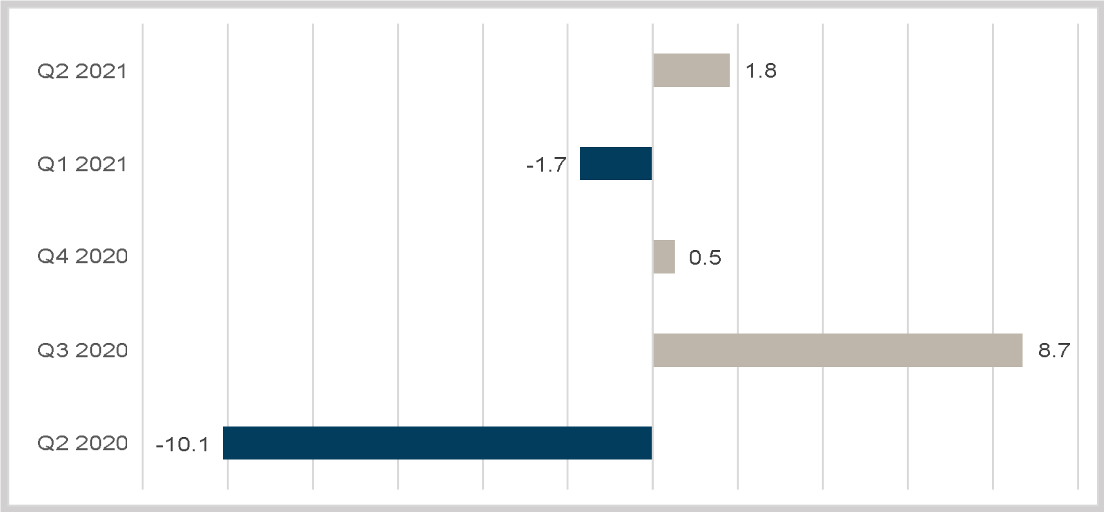
Since MLP is a service provider, we are not engaged in any research or development in the classic sense of the term. We also make other resources available, for example to develop our own software or refine acquired software.

ECONOMIC REPORT

Overall economic climate

The ongoing restrictions aimed at tackling the coronavirus pandemic have led to a further decline in economic performance in most countries. According to the German Federal Statistical Office, inflation-adjusted GDP declined by –1.7 % in Q1 2021 over Q4 2020. Private consumption and service sectors were particularly affected by this, while goods exports served to bolster the economy. At the same time, the savings rate of private households exceeded the 20 % mark and thereby almost hit the record level recorded in early 2020. Starting in Q2 2021, the first steps to relax the coronavirus-related measures were introduced, paving the way for a further recovery process. The experts at FERI Investment Research are forecasting growth of 1.8 % for Q2 2021 compared to the previous quarter.

Economic growth in Germany (change in % over the preceding quarter)



Source: German Federal Statistical Office, FERI Investment Research

Industry situation and competitive environment

Old-age provision

The ongoing coronavirus pandemic has negatively impacted the entire market over the last few months, particularly in terms of new business in old-age provision. Indeed, premiums in the first quarter of 2021 displayed significantly weaker development than in the same quarter from the previous year. According to the German Insurance Association (GDV e.V.), however, it is important to note that the effects of the coronavirus pandemic were not yet visible in the first quarter of 2020. Old-age provision volumes have generally proven robust since the outbreak of the pandemic. The low cancellation rates are particularly noteworthy, especially since many households have suffered a loss of income. According to the German Insurance Association (GDV e.V.), the German insurance sector actually recorded the fewest contract terminations since German reunification. Many policyholders took up offers in the market for a short-term break or to defer their premiums.

According to Assekurata, the effects of the coronavirus pandemic made it difficult for sales teams working in occupational pension provision to get in touch with workforces and companies in 2020. However, the fact that the income threshold for occupational pension provision has been increased since the start of the year could inject some impetus into the market.

The overall industry situation in this consulting field has not changed compared with the statements made in the 2020 MLP Group Annual Report.

Wealth management

Despite the ongoing coronavirus pandemic, the global stock markets continued their rally in the first half of the year. By the end of June, the DAX had recorded gains of 14.0 % and set a new all-time high at 15,777 points. In the US, the S&P 500 rose by 14.4 % in the same time period. The technology exchange NASDAQ also reached a new all-time high, confirming that growth stocks still have positive prospects. The stock markets generally continue to enjoy support from the expansive purchase programme of the ECB (PEPP programme) and the FED.

Just under € 60 billion net was channelled into the German fund industry in the first quarter 2021. This facilitated its best start to the year for six years. Open mutual funds also recorded their second best new business figures in an opening quarter since 2000. Mutual equity funds were the main growth drivers here with € 22.8 billion in new business. At the end of March, the fund industry was managing total assets of € 3,950 billion. Just three years earlier, this figure stood at € 2,985 billion.

The overall industry situation in this consulting field has not changed compared with the statements made in the 2020 MLP Group Annual Report.

Non-life insurance

The coronavirus pandemic was also the dominant issue in the first half of the year in the business with non-life insurance policies – continuing to present challenges throughout the sector. On the one hand the restrictions in terms of social contact had a dampening effect on business development, but on the other the coronavirus pandemic also led to a rapid increase in digitisation of consulting services in the field of non-life insurance.

According to the German Insurance Association (GDV e.V.), premium income from property and casualty insurance contracts rose by 2.1 % to € 74.8 billion in 2020. As reported by the German Insurance Association (GDV e.V.), almost all segments contributed to the weaker growth relative to the previous year (2019: +3.5 %). In the largest subsegment of vehicle insurance policies, for example, numerous companies offered their customers the option to reduce their premiums based on reduced mileage. However, non-life insurance displayed stable overall development, as business in key segments such as household or building insurance was not really affected by the pandemic.

Non-life insurance remains very important both for the market as a whole and for independent brokers. According to a survey undertaken by AssCompact, almost half of respondents expect the relevance of the private property and casualty business to remain at its current high level in the next five years. In terms of sales, the importance of the property and casualty business has been rising continuously over the last five years.

The overall industry situation in this field of consulting has not changed for MLP.

Health insurance

The health insurance field is continuing to display a diverse picture. According to the Association of Private Health Insurers, some 8.7 million persons had comprehensive private health insurance in place in 2020. The total number of private health insurance policyholders therefore recorded a slight decline of 0.1 % net over the previous year.

In contrast to comprehensive insurance, private supplementary insurance policies are still recording gains – there are now around 27.3 million supplementary insurance policies in place to cover gaps in benefits in the statutory health insurance system. This is around 2.4 % more than in the previous year. According to a survey performed by Heute & Morgen, the potential for additional coverage has also not yet been exploited. Indeed, the survey states that young statutory health insurance policy holders (aged 18 to 29) are in particular planning to conclude policies in the areas of supplementary dental insurance and provision/prevention (17 % and 15 % respectively).

Growth also continued in the field of occupational health insurance. According to the Association of Private Health Insurers, around 13,500 companies in Germany offered their employees an occupational health insurance policy that is fully financed by the employer in 2020 – which represents a 29 % increase over the previous year (2019: 10,500 companies). The number of employees that benefit from an occupational health insurance policy increased by 18 % to around 1.04 million persons.

The overall industry situation in this consulting field has not changed compared with the statements made in the 2020 MLP Group Annual Report.

Real estate

The real estate market in Germany is continuing to display positive development despite the coronavirus pandemic. With the exception of commercial property, in which prices declined by 1.5 %, no negative effects of the pandemic were identifiable in the first quarter of 2021.

Real estate is becoming increasing popular as an investment option. This is the conclusion of a survey conducted by Commerz Real. Accordingly, some 57 % of the population consider real estate a prudent investment option for private wealth creation. In February 2020, so before the first lockdown, this figure was just 51 %. Above all, real estate represents a safe investment for 51 % of respondents. This is then followed by the characteristics of "crisis-resistant" (40 %), "suitable for capital accumulation" (29 %) and "protected from inflation" (27 %).

According to the Institute of the German Economy (IW), there are currently no signs of a speculative bubble in the real estate market. Many cities and districts are still seeing demand greatly outstrip supply. In fact, no major city is engaged in sufficient construction work to cover the demand for housing.

The overall industry situation in this consulting field has not changed compared with the statements made in the 2020 MLP Group Annual Report.

Loans and mortgages

The mortgage interest rate for real estate loans plateaued at a high level from March to June. At the start of July, the interest rate for a 10-year real estate loan was around one percent. The return on 10-year German government bonds, which represents an important benchmark for property financing, rose from –0.6 % in January to –0.1 % at the start of May. This reflects the improved economic prospects.

The overall industry situation in this consulting field has not changed compared with the statements made in the 2020 MLP Group Annual Report.

Competition and regulation

Neither the competitive conditions nor the regulatory environment saw any significant changes in the first half of the year in comparison with the description provided in the MLP Group Annual Report 2020.

The draft bill for capping commission in the life insurance sector that was presented by the German Ministry of Finance in the last financial year had proposed January 1, 2021 as a potential start date. However, the political process already began to flounder in 2020 and relevant political specialists also remain critical of this regulation.

The regulation on sustainability-related disclosure requirements in the financial services sector, published in the Official Journal of the EU in December 2019, is to be adopted for the first time since March 10, 2021. The objective of this regulation is to inform investors more effectively of the extent to which providers and brokers of financial investments and provision concepts take into account sustainability considerations in their financial products.

The EU plan of action that was published in March 2018 is to be implemented through multiple legislative initiatives, including amendments to the disclosure requirements, MiFID II and the IDD, as well as a whole host of new regulations, such as a label for green financial products, a uniform EU classification system, new EU benchmarks and various EU standards for non-financial reporting. The first step will focus on the disclosure requirements, whereby financial market participants and financial consultants are obligated to disclose both on their websites and in their "precontractual information" how sustainability risks are taken into account when reaching investment decisions or when providing investment/insurance consulting services. MLP has been complying with this obligation since March 10, 2021 by publishing the stated information in the legal notices section of its websites and providing the precontractual information when brokering products.

BUSINESS PERFORMANCE

The MLP Group continued the growth trend of the last few quarters and increased total revenue by 17.5 % to € 421.8 million in the first six months of the year. The Group recorded growth in all fields of consulting. However, the main growth drivers were wealth management and real estate brokerage, which enjoyed increases of 32.6 % and 38.5 % respectively. In wealth management, MLP benefited in particular from continuously high performance fees in the FERI segment, as well as a consistently high inflow of funds in the Group. Loans and mortgages also displayed significant growth, improving by 20.5 %. Old-age provision revenue rose by 11.8 %. Occupational pension provision revenue also increased slightly. Revenue figures in non-life insurance (+6.9 %) and health insurance (+11.9 %) also continued to display positive development. With regard to important key figures of the MLP Group, the non-life insurance premium volume rose to € 419.4 million. Following slight dips in the first quarter, at € 51.4 billion, assets under management recorded a new high as of June 30, 2021.

Total earnings before interest and taxes (EBIT) in the first half of the year were significantly above the previous year's figure. As had already been the case in the first quarter, high performance fees in the FERI segment in particular had a positive influence on earnings performance.

The first half of the year has become more significant in the last few years as a result of MLP's strategic further development. However, due to the seasonality of our business the fourth quarter continues to deliver significant profit contributions.

New clients

MLP gained 9,800 new family clients in the period from January to June 2021. This is a significant increase compared to the previous year's figure of 8,400 new family clients, in which the effects of the Corona pandemic were evident.

As of the end of June 2021, the MLP Group served a total of 557,100 family clients (December 31, 2020: 554,900) and 24,500 corporate and institutional clients (December 31, 2020: 22,500).

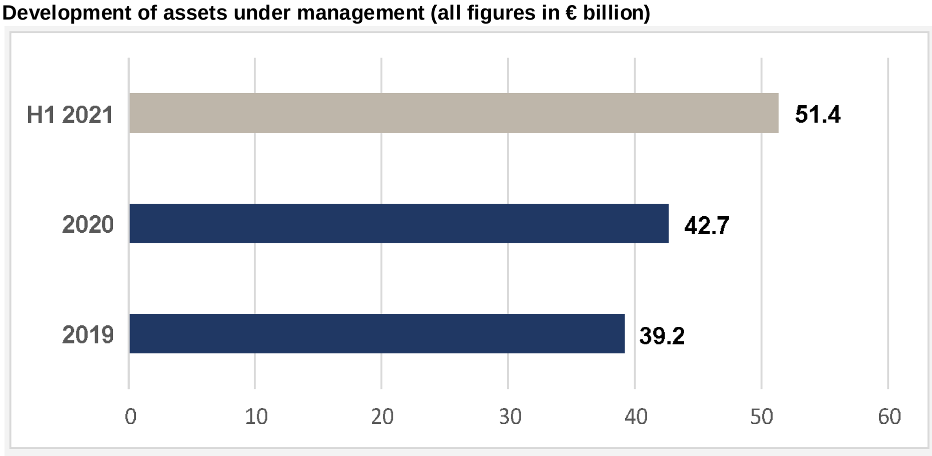
RESULTS OF OPERATION

Development of total revenue

The total revenue generated by the MLP Group rose significantly to € 421.8 million (€ 359.0 million) in the first half year of 2021. This represents an increase of 17.5 % over the same period in the previous year. Commission income increased considerably by 19.3 % to € 405.1 million (€ 339.7 million). Revenue from the interest rate business continued to decrease slightly to € 6.4 million (€ 8.0 million) due to the ongoing period of low interest rates. Other revenue declined slightly to € 10.4 million (€ 11.4 million) over the previous year.

The continued revenue growth was driven by positive developments in all fields of consulting. A highly dynamic growth was recorded in the wealth management business where commission income rose by 32.6 % to € 159.4 million (€ 120.2 million). This can, in particular, be attributed to performance fees that remained high. These are accrued in the wealth management business at our subsidiary FERI for the performance of investment concepts and are largely recognised in profit or loss. Assets under management recorded a new all-time high of € 51.4 billion as of June 30, 2021 (December 31, 2020: € 42.7 billion). At € 22.3 million (€ 16.1 million), revenue from real estate brokerage also recorded a significant increase of 38.5 %. Besides revenue from real estate brokerage this figure also includes revenue from real estate project planning. In the reporting period, this revenue was € 5.3 million (€ 0.0 million). The brokered real estate volume increased to € 219.0 million (€ 157.3 million).

Development of assets under management (all figures in € billion)



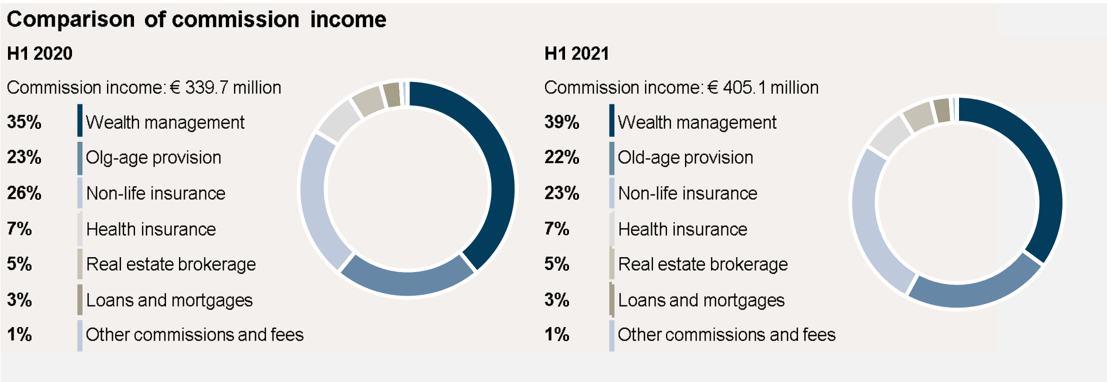
Development of old-age provision revenue was particularly pleasing. At € 88.2 million, it was 11.8 % above the previous year (€ 78.9 million). This development was also supported by a slight rebound in occupational pension provision. At € 1,597.7 million (€ 1,426.0 million), the brokered premium sum was overall 12,0 % above the previous year's level. Occupational pension provision accounted for 20.31 %, improving by 22.7 % over the previous year.

Non-life insurance business also enjoyed positive development, with revenue increasing by 6.9 % to € 94.3 million (€ 88.2 million). As at June 30, 2021, the premium volume in the MLP Group increased to € 547.0 million (December 31, 2020: € 430.8 million). Health insurance revenue also improved and rose by 11.9 % to € 28.2 million (€ 25.2 million). Revenue from loans and mortgages also rose to € 10.6 million (€ 8.8 million).

Following € 2.3 million in the previous year, other commissions and fees were € 2.1 million.

Looking at the second quarter alone, total revenue rose by 21.2 % to € 200.4 million (€ 165.3 million), with commission income contributing a rise of 24.9 % to € 192.7 million (€ 154.3 million). At € 3.1 million (€ 3.9 million), revenue from the interest rate business continued to display a negative development.

The breakdown by consulting field also shows broad-based growth across all fields of consulting in the second quarter. The strongest growth was recorded in the real estate brokerage field of consulting which achieved a 58.1 % increase in revenue to € 13.6 million (€ 8.6 million). With an increase of 26.5 %, the wealth management business also continued to show a clearly positive trend. This can be attributed to the already mentioned performance fees which remained high. Revenue rose to € 82.1 million (€ 64.9 million). Old-age provision revenue also enjoyed a significant recovery. At € 49.0 million, the figure is 24.1 % above the previous year (€ 39.5 million). With an increase of 14.3 %, non-life insurance revenue was € 27.2 million, following € 23.8 million in the previous year. Health insurance revenue also recorded growth. With an increase of 15.7 %, it stood at € 14.0 million, following € 12.1 million in the same period of the previous year. Revenue from the brokerage of loans and mortgages rose by 29.5 % to € 5.7 million (€ 4.4 million).



Analysis of expenses

Commission expenses primarily comprise performance fees paid to consultants. This item also includes the commissions paid in the DOMCURA segment. These variable expenses occur due to the compensation of brokerage services in the non-life insurance business. Commission expenses are also accrued in the Holding and Others segment. These are essentially the result of expenses from real estate development and real estate brokerage. Added to these are the commissions paid in the FERI segment, which in particular result from the activities in the field of fund administration. Variable compensation is, for example, accrued in this business segment from compensation of the depository bank and fund sales.

In the light of increased commission income, commission expenses rose to € 220.8 million (€ 187.9 million). This item also includes expenses from real estate development of € 6.2 million (€ 2.8 million), which were accrued in the Holding and Others segment. The inventory changes also result from real estate development and represent the change in asset values generated in the current phase of the projects within the reporting period. This item will increase as the respective projects progress and then decline again with the gradual sale of project units. The inventory changes were € 1.8 million in the reporting period (€ 2.9 million). Interest expenses amounted to € 0.2 million (€ 0.2 million). The total cost of sales (defined as the sum of inventory changes, commission expenses and interest expenses) increased over the previous year's figure to € 219.2 million (€ 185.2 million). The item Remeasurement gains or losses/Loan loss provisions declined from € –3.0 million to € –0.5 million. The higher figure for the previous year can essentially be attributed to losses associated with the fair value measurement of financial investments in the Banking segment, which were accrued in the context of the market turbulence caused by the coronavirus pandemic and were essentially recorded in the first quarter of 2020.

Administrative expenses (defined as the sum of personnel expenses, depreciation/amortisation and impairment, as well as other operating expenses) totalled € 172.9 million and were thus above the previous year's level (€ 153.9 million). It is important to note here that the new Industrial Broker segment was included in the consolidation for the first time in the second quarter of 2021. At the same time, consulting expenses increased. This was due on the one hand to higher expenses for IT consulting and on the other to higher consulting expenses in connection with our M&A activities in the first half of the year. This is, in particular, reflected in other operating expenses. Personnel expenses rose to € 84.7 million (€ 74.0 million). Factors contributing to this increase are the announced strengthening of the university segment, a slightly higher overall number of employees, higher performance-linked compensation components and general salary increases. Depreciation/amortisation and impairments increased slightly to € 15.1 million (€ 13.8 million). Other operating expenses rose to € 73.1 million, largely due to the aforementioned consultancy expenses (€ 66.1 million).

Earnings at MLP Hyp, which are disclosed as earnings from investments accounted for using the equity method as a joint venture with Interhyp, increased to € 2.2 million (€ 1.7 million). This item also comprises earnings of the project enterprise of the DI Group included at equity. These were just under € 0.0 million (€ 0.1 million) in the reporting period. Total earnings from investments accounted for using the equity method were € 2.2 million (€ 1.8 million).

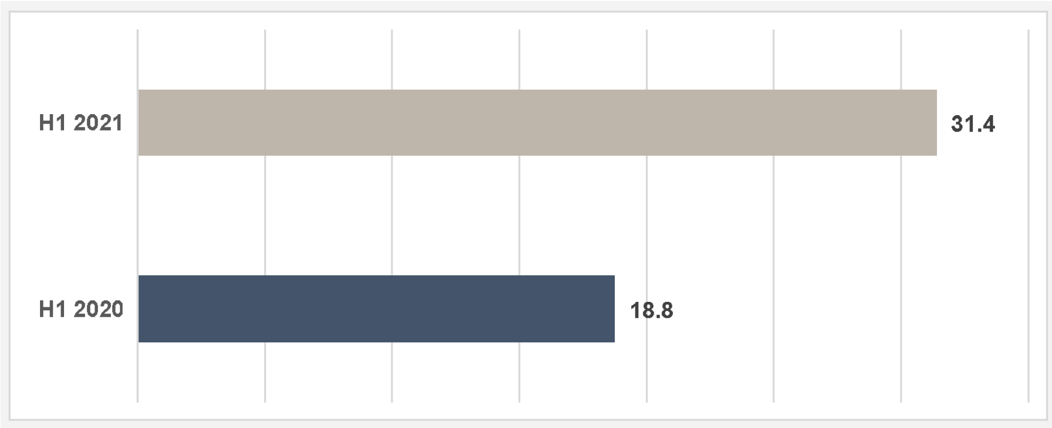
Considering the second quarter alone, cost of sales increased to € 104.3 million (€ 81.3 million). Commission expenses increased to € 106.4 million (€ 81.9 million), largely as a result of higher commission income and higher further training bonuses. At € 0.1 million (€ 0.1 million), interest expenses remained unchanged.

At € 88.1 million, administration costs in the second quarter were above the previous year's figure (€ 77.5 million). Personnel expenses rose to € 42.7 million as a result of the effects already described (€ 37.9 million). Depreciation/amortisation and impairments were € 8.2 million (€ 7.0 million). Other operating expenses rose to € 37.2 million (€ 32.46 million).

Earnings trend

Set against the background of performance fees that remained high, earnings before interest and taxes (EBIT) increased significantly in the first half of the year to € 31.4 million (€ 18.8 million). EBIT was therefore 67.0 % above the previous year's figure.

EBIT development (all figures in € million)



The finance cost in the reporting period was € –1.7 million (€ –1.0 million). Earnings before tax (EBT) were therefore € 29.7 million, following € 17.8 million in the previous year. The tax rate was 28.7 % (26.3 %). Group net profit was € 21.2 million (€ 13.1 million). The diluted and basic earnings per share were € 0.19 (€ 0.12).

Looking at the second quarter on its own, EBIT was € 9.6 million due to the aforementioned influences, following € 8.1 million in the previous year. Finance cost fell to € –0.8 million (€ –0.0 million). Group net profit was € 5.4 million (€ 5.6 million).

Structure and changes in earnings in the Group

all figures in € million	H1 2021	H1 2020	Change in %
Total revenue	421.8	359.0	18.8%
Gross profit [1]	202.7	173.8	16.6%
Gross profit margin (in %)	48.1%	48.4%	–
EBIT	31.4	18.8	67.4%
EBIT margin (in %)	7.4%	5.3%	–
Finance cost	−1.7	−1.0	82.5%
EBT	29.7	17.8	66.6%
EBT margin (in %)	7.0%	5.0%	–
Income taxes	−8.5	−4.7	82.0%
Net profit	21.2	13.1	61.1%
Net margin (in %)	5.0%	3.7%	–

[1] Definition: Gross profit is the result of total revenue less commission expenses, interest expenses and any inventory changes.

FINANCIAL POSITION

Aims of financial management

You can find detailed information on the objectives of financial management in the 2020 Annual Report of the MLP Group at www.mlp-annual-report.com.

Financing analysis

For the long-term financing of the Group, we currently use external funds only to a very limited extent in the form of securities issues or the issuance of promissory note loans and the taking up of loans. Our non-current assets are financed by our shareholders' equity and non-current liabilities. Current liabilities due to clients and banks in the banking business represent further refinancing funds that are generally available to us in the long term.

As of June 30, 2021, liabilities due to clients and financial institutions in the banking business amounted to € 2,627.9 million (December 31, 2020: € 2,379.4 million) were offset on the assets side of the balance sheet by receivables from clients and financial institutions in the banking business of € 1,501.7 million (December 31, 2020: € 1,632.1 million).

We did not perform any increase in capital stock in the reporting period.

Liquidity analysis

Cash flow from operating activities increased to € 380.5 million from € 159.0 million in the same period of the previous year. Here, significant cash flows result from the deposit business with our clients and from the investment of these funds.

Cash flow from investing activities changed from € –53.2 million to € –49.3 million. More funds were invested in time deposits in the reporting period than in the same period of the previous year.

Cash flow from financing activities changed from € –28.9 million to € 18.9 million. The background to this is the raising of financial loans.

Condensed statement of cash flow

all figures in € million	Q2 2021	Q2 2020	H1 2021	H1 2020
Cash and cash equivalents at beginning of period	**1,096.5**	**675.4**	**855.8**	**510.8**
Cash flow from operating activities	107.0	−4.7	380.5	159.0
Cash flow from investing activities	9.4	−57.2	−49.3	−53.2
Cash flow from financing activities	−4.7	−25.9	18.9	−28.9
Change in cash and cash equivalents	**111.6**	**−87.8**	**350.1**	**76.8**
Increase in liabilities to banks due on demand (excluding the banking business)	-2.6	-	-0.4	-
Cash and cash equivalents at end of period	**1,205.4**	**587.6**	**1,205.4**	**587.6**

As at the end of H1 2021, the MLP Group has access to cash holdings of around € 1,246 million. A good level of liquid funds therefore remains available. Thus there are sufficient cash reserves available to the MLP Group. Alongside cash holdings, free lines of credit are also in place.

Capital expenditure analysis

The investment volume of the MLP Group in the first half of 2021 was € 4.4 million (€ 4.7 million). Including the share of purchase price already paid in the course of the acquisition of the RVM Group, the investment volume amounted to € 60.4 million.

Without taking into account the above-mentioned purchase price payment, the majority of the investments were distributed among the segments of financial consulting (€ 1.9 million), DOMCURA (€ 1.1 million) and FERI (€ 0.9 million). One focus was on investments in office equipment as well as software and IT.

NET ASSETS

Analysis of the asset and liability structure

As of June 30, 2021, the balance sheet total of the MLP Group rose to € 3,513.5 million (December 31: 2020: € 3,235.0 million). On the assets side of the balance sheet, intangible assets increased to € 222.7 million (December 31, 2020: € 178.9 million). The increase in this item can essentially be attributed to the acquisitions made in the first half of the year. Financial investments were € 129.1 million (December 31, 2020: € 125.1 million). Investments accounted for using the equity method decreased to € 3.9 million (€ 5.4 million). This decline can essentially be attributed to the regular dividend payout from MLP Hyp to MLP Finanzberatung SE and the associated intrinsic value reduction of this item.

Receivables from clients in the banking business were € 913.2 million (December 31, 2020: € 880.6 million). Receivables from banks in the banking business fell significantly to € 588.5 million (December 31, 2020: € 751.5 million). The decline is essentially due to a reduced investment volume in time deposits, as well as a lower volume of promissory note bonds. Financial assets rose to € 207.4 million (December 31, 2020: € 197.6 million), mainly due to higher investments in fixed income securities and time deposits.

Other receivables and other assets remained virtually unchanged at € 198.1 million (December 31, 2020: € 199.8 million). This item essentially contains commission receivables from insurers resulting from the brokerage of insurance products. Due to the typically strong year-end business, these increase considerably at the end of the year and then decline again during the course of the following financial year. Cash and cash equivalents rose markedly to € 1,209.1 million (December 31, 2020: € 859.0 million). This increase can be attributed to a greater deposit volume at Deutsche Bundesbank.

The "Inventories" item disclosed in the balance sheet essentially represents the assets of the project enterprises within the DI Group. As of June 30, 2021, this item was € 19.6 million (December 31, 2020: € 17.8 million).

Assets as of June 30, 2021

All figures in € million	June 30,2021	Dec 31,2020	Change in %
Intangible assets	222.7	178.9	24.49%
Property, plant and equipment	129.1	125.1	3.26%
Investments accounted for using the equity method	3.9	5.4	−27.41%
Deferred tax assets	11.4	9.6	19.13%
Receivables from clients in the banking business	913.2	880.6	3.70%
Receivables from banks in the banking business	588.5	751.5	−21.69%
Financial assets	207.4	197.6	4.93%
Inventories	19.6	17.8	10.24%
Tax refund claims	10.4	9.7	6.98%
Other receivables and assets	198.1	199.8	−0.84%
Cash and cash equivalents	1,209.1	859.0	40.75%
Total	**3,513.5**	**3,235.0**	**8.61%**

As of the reporting date of June 30, 2021, the shareholders' equity of the MLP Group declined slightly to € 451.2 million (December 31, 2020: € 454.0 million), which is primarily attributable to the dividend payment to our shareholders. Due to a majority stake in the DI Group, minority interests in equity were disclosed in the balance sheet. As of December 31, 2020 they were € 0.7 million (December 31, 2019: € 0.8 million). The balance sheet equity ratio was 12.8 % (December 31, 2020: 14.0 %).

Provisions decreased to € 103.9 million (December 31, 2020: € 115.8 million). This decrease is mainly attributable to the reductions in provisions for client support commission after this was paid on schedule in the course of the second quarter. Liabilities due to clients in the banking business increased to € 2,507.4 million (December 31, 2020: € 2,271.9 million) and reflect a further increase in client deposits. Liabilities due to banks in the banking business rose to € 120.5 million (December 31, 2020: € 107.5 million). Other liabilities fell to € 302.4 million (December 31, 2020: € 265.7 million). The decline essentially results from lower liabilities due to commercial agents, as well as lower liabilities from the underwriting business. Due to our typically strong year-end business, they increase markedly up to the balance sheet date December 31 and then decline again in the subsequent quarters. This was offset by increased purchase price liabilities resulting from compounding.

Liabilities and shareholders' equity as of June 30, 2021

All figures in € million	June 30, 2021	Dec 31, 2020	Change in %
Shareholders' equity	451.2	454.0	−0.6%
Minority interests	0.7	0.8	−15.4%
Provisions	103.9	115.8	−10.2%
Deferred tax liabilities	8.3	9.2	−9.2%
Liabilities due to clients in the banking business	2,507.4	2,271.9	10.4%
Liabilities due to banks in the banking business	120.5	107.5	12.1%
Tax liabilities	19.7	10.9	80.2%
Other liabilities	302.4	265.7	13.8%
Total	**3,513.5**	**3,235.0**	**8.6%**

Comparison of actual and forecast business performance

Following on from the first six months of 2021, we stand by our forecast of recording EBIT in a corridor between € 55.0 and € 61.0 million for the financial year 2021. MLP now expects to reach the upper end of this range following the successful development in the first six months of the year.

In old-age provision, both new business and revenue displayed a slight upward trend and thereby developed within the scope of our revised qualitative estimate. Thanks to highly positive development in the first six months of the year, wealth management revenue was above our revised expectation of achieving stable to slightly rising revenue. Revenue from health insurance was slightly above the previous year's level and also slightly better than anticipated. Non-life insurance still fell short of our expectations of sharply rising revenue after the first six months of the year. Having recorded a significant gain, revenue from property brokerage is within the scope of our planning after the first six months of the year. Loans and mortgages displayed better development than we had anticipated, recording a significant rise in revenue after the first six months of the year.

Administration costs, which continue to include expenses for investments in the future, in particular for recruiting young consultants as part of our efforts to strengthen the young segment, were forecast to remain largely unchanged. At the end of the first half of the year, however, the increase was more pronounced than we had anticipated. The first-time consolidation of RVM and consulting costs, especially in the area of M&A transactions, also contributed to this.

Despite recording costs that were above expectations, earnings displayed better development in the first six months of the year than we had anticipated. At the same time, we once again confirm our forecast and are now anticipating reaching the upper end of the announced EBIT corridor of € 55.0 million to € 61.0 million. You can find details on this in the Forecast section.

SEGMENT REPORT

The MLP Group is broken down into the following segments:

- Financial Consulting
- Banking
- FERI
- DOMCURA
- Industrial Broker
- Holding and Others

The Financial Consulting segment includes revenue generated in the fields of consulting of old-age provision, health and non-life insurance, loans & mortgages and real estate brokerage. This figure also includes revenue from real estate brokerage in the DI Group. All banking services for both private and corporate clients, from wealth management, accounts and cards, through to the interest rate business, are brought together in the Banking segment. The FERI segment primarily generates revenue from the wealth management field of consulting, while the DOMCURA segment generates most of its revenue from the non-life insurance business.

In addition to MLP SE, the Holding and Other segment includes the project companies of the DI Group. Expenses from real estate development are disclosed under "Commission expenses. The "Inventory changes" item also results from real estate development and represents the changes in assets generated in the current phase of the projects within the reporting period. This item will increase as the respective projects progress and then decline again with the gradual sale of project units.

With the acquisition of RVM, MLP has laid the crucial foundation for developing the commercial and industrial insurance market. The acquisition of RVM forms the basis for a systematic expansion of the new Industrial Broker segment. This segment is currently recorded in the companies of RVM. Once the acquisitions of Adolph Jahn GmbH & Co. KG, Ed. Sengstack & Sohn GmbH & Co. KG, Hans L. Grauerholz GmbH and Erich Schulz GmbH have been completed, these companies will also become part of the new Industrial Broker segment expected at a later date. Similarly to the DOMCURA segment, the majority of revenue and earnings in this segment are essentially generated in the first quarter of each year. This is due to the seasonality of this business. The subsequent quarters up to the end of the year are then generally concluded with negative earnings. Due to the provisions of IFRS, the earnings of the RVM Group are to be disclosed under shareholders' equity until the transaction has been finalised. The income statement of the MLP Group therefore essentially discloses the expenses accrued in the second quarter and likely also in quarters three and four.

Financial Consulting segment

Total revenue in the Financial Consulting segment was € 193.8 million (€176.2 million) in the first six months. Sales revenue was € 180.7 million (€ 164.8 million), while other revenue was € 13.1 million (€ 11.4 million).

Commission expenses increased to € 94.7 million (€ 84.7 million) as a result of a rise in revenue to € 84.7 million (€ 80.1 million). The remeasurement gains or losses/loan loss provisions were € –0.1 million (€ –0.4

million). Personnel expenses increased to € 40.6 million (€ 36.2 million) due to a special one-off coronavirus payment made to our employees, as well as slightly higher employee numbers and general salary increases. Depreciation/amortisation and impairment remained at € 10.1 million (€ 10.1 million). Other operating expenses totalled € 50.6 million (€ 49.3 million). EBIT improved to € –0.2 million (€ –2.8 million). Finance cost amounted to € –1.0 million (€ –1.6 million). EBT was € –1.3 million (€ –4.4 million).

Considering only the second quarter, total revenue improved to € 93.8 million (€ 78.4 million). Revenue was € 88.2 million (€ 73.6 million). At € 5.7 million, other revenue remained unchanged (€ 4.8 million). Commission expenses increased to € 46.7 million (€ 37.4 million) as a result of a rise in commission income. Personnel expenses amounted to € 19.7 million (€ 17.4 million). Depreciation/amortisation and impairments remain unchanged at € 5.1 million (€ 5.1 million). At € 24.9 million (€ 24.5 million), other operating expenses remained at the same level as the previous year.

At € –1.4 million (€ –5.3 million), EBIT improved significantly in the second quarter. With a finance cost of € –0.3 million (€ –0.8 million), EBT rose to € –1.7 million (€ –6.1 million).

Banking segment

Total revenue in the Banking segment increased to € 50.7 million (€ 46.9 million) in the first half of the year. Here, sales revenues rose sharply to € 49.1 million (€ 41.9 million), reflecting the positive development of wealth management in MLP's private client business. Other revenue declined to € 1.6 million (€ 5.0 million). The previous year's higher figure was due to a one-off positive special effect. Claims of € 3.4 million for VAT refunds from previous years were settled by the tax authorities and recognised in income by MLP in the second quarter of the previous year. Commission expenses increased to € 21.8 million (€ 17.6 million) as a result of positive revenue development.

Interest expenses remained unchanged at € 0.1 million (€ 0.1 million).

The "Remeasurement gains or losses/Loan loss provisions" item declined to € –0.2 million (€ –2.3 million). The previous year's higher figure was essentially due to costs resulting from the fair value measurement of financial investments. Personnel expenses were € 6.9 million (€ 6.4 million), while depreciation/amortisation and impairment remained unaltered at € 0.2 million (€ 0.2 million). Other operating expenses amounted to € 18.7 million (€ 17.9 million).

EBIT improved further to € 2.8 million (€ 2.5 million) – despite the one-off positive special effect recorded in the previous year. Finance cost fell to € 0.0 million (€ 0.9 million). Interest rate effects resulting from the VAT refund had a positive influence on the finance cost in the previous year. EBT reached € 2.8 million, following € 3.3 million in the previous year.

Looking at the second quarter on its own, total revenue rose to € 26.2 million (€ 24.9 million). Sales revenue increased to € 25.4 million (€ 20.7 million). Other revenue declined to € 0.9 million (€ 4.2 million) as a result of the described effect. Commission expenses were € 11.4 million (€ 8.6 million). Interest expenses remained unchanged at € 0.1 million (€ 0.1 million). Personnel expenses amounted to € 3.3 million (€ 3.0 million). Depreciation/amortisation and impairments remained unchanged at € 0.1 million (€ 0.1 million). Other operating expenses amounted to € 9.4 million (€ 8.7 million). EBIT therefore reached € 2.3 million (€ 5.2 million). With a finance cost of € 0.0 million (€ +0.9 million), EBT was € 2.3 million (€ 6.1 million).

FERI segment

Total revenue in the FERI segment rose by 33.9 % to € 121.3 million in the reporting period (€ 90.6 million), while sales revenue increased from € 88.4 million to € 119.6 million. Alongside the positive overall business development, this increase can once again be attributed to high performance fees from investment concepts. As a result of higher revenue, commission expenses increased to € 65.4 million (€ 50.4 million). Loan loss provisions remained at the previous year's level reaching € –0.1 million (€ –0.1 million).

At € 20.4 million (€ 19.2 million), personnel expenses were slightly above the previous year's level. Depreciation/amortisation and impairments remained virtually unchanged at € 1.2 million (€ 1.1 million). Other operating expenses amounted to € 5.2 million (€ 4.4 million). EBIT rose significantly by 88.3 % to € 29.0 million (€ 15.4 million). At an unchanged finance cost of € –0.2 million (€ –0.2 million), EBT was € 28.7 million (€ 15.1 million).

Considering only the second quarter, total revenue rose to € 62.5 million (€ 50.8 million). Set against the background of performance fees that were once again high, sales revenues increased to € 61.2 million (€ 49.2 million). Other revenue was € 1.3 million (€ 1.6 million). Commission expenses increased to € 33.5 million (€ 25.6 million). Personnel expenses were € 10.3 million, following € 11.6 million in the previous year. At € 0.6 million (€ 0.6 million), depreciation/amortisation and impairment remained at a stable level. Other operating expenses rose to € 2.9 million (€ 1.9 million). As a result EBIT increased to € 15.1 million (€ 11.0 million) in the second quarter. With a finance cost of € –0.1 million (€ –0.1 million), EBT was € 15.0 million (€ 10.8 million).

DOMCURA segment

The DOMCURA segment primarily generates revenue from the brokering of non-life insurance. DOMCURA's business model is characterised by a high degree of seasonality. Accordingly, the subsidiary records high revenue and comparably high earnings in the first quarter of each year. This is then typically followed by a loss from Q2 to Q4.

Total revenue rose to € 64.2 million (€ 60.6 million) in the period from January to June 2021. This primarily reflects the premium volumes received. Other revenue was € 0.8 million (€ 1.0 million). Commission income increased by 5.7 % to € 65.1 million (€ 61.6 million). Commission expenses increased to € 42.0 million (€ 39.7 million) as a result of higher revenue. These are essentially accrued as variable compensation for brokerage services.

Personnel expenses amounted to € 9.7 million (€ 9.0 million). Depreciation/amortisation and impairments remained unchanged at € 1.2 million (€ 1.2 million). Other operating expenses increased slightly to € 3.8 million (€ 3.6 million). EBT reached € 8.3 million, following € 8.2 million in the previous year. With a finance cost of € –0.1 million (€ –0.1 million), EBT was € 8.2 million (€ 8.1 million).

Considering only the second quarter, total revenue reached € 19.3 million (€ 18.4 million), while sales revenue increased to € 18.9 million (€ 17.8 million). Other revenue was € 0.4 million (€ 0.6 million). Commission expenses increased to € 13.3 million (€ 12.3 million). Personnel expenses increased slightly to € 4.7 million (€ 4.2 million). Depreciation/amortisation and impairment remained unchanged at € 0.6 million (€ 0.6 million). Other operating expenses amounted € 2.0 million, following € 1.8 million in the previous year. At € –1.3 million, EBIT therefore remained below the previous year (€ –0.4 million). With a finance cost of € 0.0 million (€ –0.1 million), EBT was € –1.3 million (€ –0.5 million).

Industrial Broker segment

The Industrial Broker segment primarily generates revenue from the brokerage of insurance policies for industrial and commercial clients. Revenue from this segment contributes to the non-life insurance sales revenue. Business performance in the Industrial Broker segment is characterised by a high degree of seasonality. Accordingly, the segment records comparably high earnings in the first quarter of each year along with high sales revenues. This is then typically followed by a loss from Q2 to Q4.

The segment currently comprises RVM GmbH (as the holding company), RVM Versicherungsmakler GmbH and RISConsult GmbH. As this segment is being consolidated for the first time in the second quarter of 2021, no figures from previous years are available. The figures from the second quarter are therefore those from the first half of 2021.

Total revenue in the Industrial Broker segment was € 2.6 million. Sales revenue was € 2.5 million, while other revenue was € 0.1 million. Commission expenses were € 0.1 million.

Administration expenses totalled € 3.7 million. At € 2.7 million, personnel expenses represent the largest item here. Depreciation/amortisation and impairment was € 0.5 million and other operating expenses were also € 0.5 million. EBIT amounted to € –1.1 million. At a finance cost of € –0.2 million, EBT was € –1.3 million.

Holding and Others segment

Total revenue in the Holding and Others segment increased to € 13.0 million (€ 6.5 million) in the first half year, while sales revenue increased to € 5.9 million (€ 0.0 million). Following € 6.5 million in the previous year, other revenue increased to € 7.0 million.

Due to higher revenue, commission expenses increased to € 6.2 million (€ 2.8 million). Inventory changes decreased to € 1.8 million, following € 2.9 million in the previous year. At € 4.4 million, personnel expenses were higher than in the previous year (€ 3.2 million). Among other things, this reflects the fact that there were more employees working for the company. Depreciation/amortisation and impairments increased to € 1.8 million (€ 1.2 million). Other operating expenses rose to € 8.3 million (€ 5.6 million).

EBIT declined to € –6.0 million (€ –3.5 million). The finance cost was € –1.1 million (€ –0.8 million). Accordingly, EBT declined to € –7.1 million (€ –4.4 million).

Considering only the second quarter, total revenue rose to € 6.8 million (€ 3.2 million), following € 0.0 million in the previous year, sales revenue rose to € 3.5 million. Other revenue was unchanged at € 3.2 million (€ 3.2 million). Personnel expenses rose to € 2.0 million (€ 1.6 million). At € 1.2 million, depreciation/amortisation and impairment were slightly above the previous year's level (€ 0.6 million). Other operating expenses rose to € 4.4 million (€ 3.0 million). EBIT therefore totalled € –3.5 million (€ –1.9 million). With a finance cost of € –0.6 million (€ –0.4 million), EBT was € –4.1 million (€ –2.3 million).

EMPLOYEES AND SELF-EMPLOYED CLIENT CONSULTANTS

As MLP is a knowledge-based service provider, qualified and motivated employees and self-employed client consultants represent the most important foundation for sustainable company success. Recruitment of new consultants as well as their qualification and further development therefore represents an important focus along with a continuous development of our HR work.

The number of employees rose to 2,091 (1,835) in the reporting period. This rise can essentially be attributed to the acquisition of the RVM Group. These employees are assigned to the new Industrial Broker segment. In addition, there was a higher number of employees returning from parental leave, as well as new recruitments compared to the previous year.

Development of number of employees by segment (excluding MLP consultants)

Segment	June 30, 2021	Dec 31, 2020
Financial Consulting [1]	1,132	1,087
Banking	202	193
FERI	226	224
DOMCURA	310	289
Industrial Brokerage [3]	167	0
Holding and Others [2]	54	42
Total	**2,091**	**1,835**

[1] Including TPC, ZSH, DI Sales, DI Web, DI IT and MLP Dialog

[2] Since 2019 including DI AG and DI Projects

[3] Since April 1, 2021 RVM and RISConsult

At 2,053, the number of self-employed client consultants at the end of H1 was slightly below the figure at the end of the 2020 (December 31, 2020: 2,086) and above the figure from the same quarter in the previous year (June 30, 2020: 2,014). As of June 30, 2021, MLP continued to operate 129 representative offices (December 31, 2020: 129). The number of university teams remained at 102 at the end of the first six months (December 31, 2020: 102).

RISK AND OPPORTUNITY REPORT

MLP's group-wide early risk detection and monitoring system is used as the basis for a group-wide active risk management. This system ensures appropriate identification, assessment, controlling, monitoring and communication of the major risks. The objective of the integrated opportunity management approach employed by the MLP Group is to secure systematic and early identification of opportunities and their assessment.

The reporting period continues to be characterized by the acute global Corona pandemic. Nevertheless, this has not resulted in any fundamental changes to the MLP Group's risk and opportunity profile. Within the scope of our counterparty default, market price, liquidity, operational and other risks, there were no extraordinary burdens in the first half of 2021.

The MLP Group has sufficient liquid funds at its disposal. Our core capital ratio on the reporting date, June 30 2021, was 18.5 % (December 31, 2020: 21.3 %) and therefore remains above the 8 % stipulated by the supervisory regulations plus 2.5 % capital conservation buffer. The decrease in the ratio is partly due to the payment of dividends to our shareholders. There are currently no identifiable risks that threaten the going-concern of the MLP Group.

You can find a detailed description of our risk and opportunity management system in our risk and opportunity report in the 2020 Annual Report of the MLP Group.

FORECAST

Future overall economic development

The outlook for the second half of the year is still subject to major risks of both an economic and pandemic-related nature. Despite the continuing vaccination campaign, infection rates are rising in many countries due to the spread of the Delta variant. However, many experts are still predicting a significant recovery in the second half of the year, assuming no further lockdown measures will be introduced. The expansive monetary and fiscal policy of the ECB continues to stimulate growth in the economy. The purchasing managers' indices, which recorded significant gains in June, provide another reason for optimism. The experts at FERI Investment Research are forecasting GDP growth of 3.3 % over the previous year for 2021.

Future industry situation and competitive environment

Neither the competitive conditions nor the regulatory environment saw any significant changes in the first half of the year in comparison with the description provided in the MLP Group Annual Report 2020.

The old-age provision market continues to be characterised by a low interest rate environment. With a view to portfolio growth, the experts at ASSEKURATA have a cautiously optimistic outlook for the financial year 2021. The potential economic recovery could give the old-age provision business a welcome boost. However, the outlook is generally heavily dependent on the economic and regulatory framework conditions this year.

The coming months are likely to be characterised by slightly declining dynamism on the stock markets following a fantastic start in the first half of the year. Corporate profits and the economy are proving robust and not displaying any recessive trends. The risk of a sustainable correction or even a bear market should therefore be considered very low. The experts at FERI Investment Research believe that there are opportunities available, particularly for European shares, as the Eurozone is likely to be the growth engine of the global economy in the second half of the year.

The German Insurance Association (GDV e.V.) is anticipating an overall increase in premiums of approximately 1.5 % in the property and casualty sector for 2021. Reduced dynamism is in particular expected in vehicle insurance, while the forecast in the residential building and legal protection insurance segment is for positive development. Insurers are likely to continue facing significant pressure as a result of natural disasters. Indeed, the German Insurance Association (GDV e.V.) is expecting 2021 to become one of the most costly years since 2013 as a result of floods, torrential rain, hail and storms.

The private health insurance business is unlikely to enjoy any significant improvements in terms of market conditions. Overall, ASSEKURATA is not forecasting any significant changes for 2021 in terms of increases in the number of persons holding comprehensive insurance. However, occupational health insurance still holds growth potential and is becoming increasingly popular. Due to premium revisions, no portfolio growth is anticipated in supplementary long-term care insurance.

According to the Sparda Survey "Living in Germany 2021", any talk of a price bubble remains wholly unfounded. This is based on the performance recorded over the last few years, the stable demand and international comparisons – both in terms of the price level and the low ownership rate. Owners and prospective purchasers could therefore benefit, above all in Germany's growth regions. Anyone who already owns or chooses to purchase a property there is likely to see its value continue rising.

The ECB has announced that it will be leaving the interest rate at the same low level for the second half of the year. Bond purchasing via the PEPP programme is also set to continue. However, 10-year German federal bonds are unlikely to return profits until 2022.

In property financing, the majority of experts surveyed in the Interhyp Mortgage Rate Trend Barometer expect short-term mortgage interest rates to move sideways. However, the experts could also envisage a slight increase in the interest rate for the year as a whole.

In 2019, the German Federal Ministry of Finance (BMF) presented a draft bill for capping commission in the life insurance sector and for credit life insurance policies. However, the matter has not yet been dealt with by the cabinet. In the meantime, the political discussion on this has also faded significantly into the background. Instead, the legislator opted just for a commission cap for credit life insurance policies, which MLP does not actively broker. Whether the parliamentary process for introducing a commission cap in the life insurance sector will even be resumed in the very tight time frame of the current parliamentary term, which only runs until September, appears questionable. As such, there is unlikely to be any direct impact on MLP's operating business in the field of old-age provision in 2021.

The regulations resulting from the EU plan of action for financing sustainable growth (the Taxonomy, Disclosure and Benchmark Regulations, as well as sales directives (MiFID & IDD)) generally have an impact on investment and insurance consultancy services at different times and have not all been finally substantiated as things stand right now. The Taxonomy Regulation is initially to be introduced in a step-by-step process starting on January 1, 2022. The amendments to MiFID II and IDD are likely to be applied from around October 2022 onwards. However, despite the fact that the deadline has long since passed, it remains to be seen exactly how these are to be implemented.

The Federal Finance Ministry has decided to reduce the maximum technical interest rate for new life insurance contracts from its current level of 0.9 percent to 0.25 percent as at January 1, 2022. This will generally make it more difficult to continue marketing products with guarantees. In addition, there is likely to be a reduction in pension factors, which in turn will lead to lower guaranteed pensions. The reduction also impacts pensions starting immediately and biometrics products.

Anticipated business development

You can find details on our original forecast for the financial year 2021 in the Annual Report 2020 of the MLP Group at www.mlp-annual-report.com.

Earnings performance in the first half of the year 2021 exceeded our expectations, mainly due to another high level of performance fees. The development observed in the first quarter in particular greatly surpassed our expectations. This was essentially due to the extremely dynamic development in wealth management with performance fees significantly above expectations. We already communicated this on April 27, 2021 as part of our preliminary results announcement for the first quarter.

We also already substantiated our qualitative assessment of the revenue forecast at the close of the first quarter. Now that the results for the first half of the year are available, we reaffirm our expectations. Following the extremely positive development recorded in the loans and mortgages business in the first six months of the year, we now expect to see a strong increase in revenue for the year (the previous expectation was for a slight increase).

We are still anticipating a slight increase in wealth management (originally expected to remain stable at the start of the year, then to increase slightly at the end of the first quarter). We are also anticipating a slight increase in old-age provision and a strong increase in non-life insurance. We expect the health insurance to remain largely unchanged, while real estate brokerage is likely to record a strong increase.

MLP still anticipates recording EBIT in a corridor between € 55 million and € 61 million for the financial year 2021. Following completion of the second quarter, we are substantiating our expectation of reaching the upper end of the announced EBIT corridor. This takes into account the uncertainties that continue to exist, particularly as a result of the impact of the corona pandemic on the further course of business. We also confirm the mid-term planning, based on which EBIT is likely to rise to around € 75 to 85 million by the end of 2022.

You can find details on our forecast in the Annual Report of the MLP Group at www.mlp-annual-report.com.

Interim Group Financial Statements

Income statement and statement of comprehensive income

Income statement for the period from January 1 to June 30, 2021

all figures in €'000	Note	Q2 2021	Q2 2020	H1 2021	H1 2020
Revenue	(7)	195,806	158,209	411,454	347,621
Other revenue		4,594	7,106	10,365	11,389
Total revenue		**200,400**	**165,315**	**421,819**	**359,010**
Inventory changes		2,213	636	1,824	2,900
Commission expenses	(8)	−106,407	−81,876	−220,781	−187,871
Interest expenses		−94	−97	−175	−217
Valuation result/loan loss provisions		381	638	−532	−2,966
Personnel expenses		−42,733	−37,891	−84,726	−73,992
Depreciation and impairments	(10)	−8,179	−6,965	−15,088	−13,784
Other operating expenses	(11)	−37,160	−32,644	−73,092	−66,110
Earnings from investments accounted for using the equity method		1,151	975	2,157	1,789
Earnings before interest and tax (EBIT)		**9,571**	**8,093**	**31,408**	**18,760**
Other interest and similar income		59	968	124	998
Other interest and similar expenses		−949	−917	−1,838	−1,832
Valuation result not relating to operating activities		80	−92	−23	−118
Finance cost	(12)	**−810**	**−41**	**−1,736**	**−951**
Earnings before tax (EBT)		**8,761**	**8,051**	**29,672**	**17,809**
Income taxes		−3,410	−2,495	−8,513	−4,677
Net profit		**5,351**	**5,556**	**21,159**	**13,132**
of which attributable to					
owners of the parent company		5,391	5,813	21,279	13,631
minority interests		−40	−257	−120	−500
Earnings per share in €[1]					
basic/diluted		**0.05**	**0.05**	**0.19**	**0.12**

[1] Basis of calculation: average number of ordinary shares outstanding as of June 30, 2021: 109,245,453

Statement of comprehensive income for the period from January 1 to June 30, 2021

All figures in €'000	Q1 2021	Q1 2020	H1 2021	H1 2020
Net profit	**5,351**	**5,556**	**21,159**	**13,132**
Gains/losses due to the revaluation of defined benefit obligations	−213	−2,281	2,744	−2,815
Deferred taxes on non-reclassifiable gains/losses	63	671	−807	828
Non-reclassifiable gains/losses	**−150**	**−1,610**	**1,937**	**−1,988**
Other comprehensive income	**−150**	**−1,610**	**1,937**	**−1,988**
Total comprehensive income	**5,201**	**3,946**	**23,096**	**11,144**
Of which attributable to				
owners of the parent company	5,241	4,203	23,216	11,643
minority interests	−40	−257	−120	−500

Statement of financial position

Assets as of June 30, 2021

all figures in €'000	Notes	June 30, 2021	Dec 31, 2020
Intangible assets		222,678	178,872
Property, plant and equipment	(13)	129,141	125,069
Investments accounted for using the equity method		3,939	5,426
Deferred tax assets		11,412	9,580
Receivables from clients in the banking business		913,248	880,649
Receivables from banks in the banking business		588,505	751,466
Financial assets	(14)	207,371	197,623
Inventories		19,641	17,817
Tax refund claims		10,412	9,733
Other receivables and assets	(15)	198,077	199,753
Cash and cash equivalents		1,209,109	859,041
Total		**3,513,534**	**3,235,028**

Liabilities and shareholders' equity as of June 30, 2021

all figures in €'000	Notes	June 30, 2021	Dec 31, 2020
Equity attributable to MLP SE shareholders		450,547	453,243
Minority interests		656	776
Total shareholders' equity	**(16)**	**451,203**	**454,019**
Provisions		103,949	115,799
Deferred tax liabilities		8,323	9,167
Liabilities due to clients in the banking business		2,507,416	2,271,919
Liabilities due to banks in the banking business		120,508	107,471
Tax liabilities		19,702	10,932
Other liabilities	(15)	302,434	265,722
Total		**3,513,534**	**3,235,028**

Condensed statement of cash flow

Condensed statement of cash flow for the period from January 1 to June 30, 2021

all figures in €'000	H1 2021	H1 2020
Cash flow from operating activities	380,523	158,987
Cash flow from investing activities	−49,323	−53,215
Cash flow from financing activities	18,868	−28,926
Change in cash and cash equivalents	**350,068**	**76,846**
Increase in liabilities to banks due on demand (excluding the banking business)	−424	-
Cash and cash equivalents at end of period	**1,205,441**	**587,624**

Condensed statement of cash flow for the period from April 1 to June 30, 2021

all figures in €'000	Q2 2021	Q2 2020
Cash flow from operating activities	106,977	−4,696
Cash flow from investing activities	9,352	−57,153
Cash flow from financing activities	−4,742	−25,944
Change in cash and cash equivalents	**111,587**	**−87,793**
Increase in liabilities to banks due on demand (excluding the banking business)	−2,627	-
Cash and cash equivalents at end of period	**1,205,441**	**587,624**

Statement of changes in equity

Statement of changes in equity for the period from January 1 to June 30, 2021

	Equity attributable to MLP SE shareholders						
All figures in €'000	Share capital	Capital reserves	Revaluation gains/losses related to defined benefit obligations after taxes	Retained earnings	Total	Minority interests	Total shareholders' equity
As of January 1, 2020	**109,334**	**149,853**	**−17,547**	**194,966**	**436,605**	**787**	**437,392**
Acquisition of treasury stock	−8	-	-	−266	−274	-	−274
Share-based payment	-	−1,610	-	-	−1,610	-	−1,610
Dividend	-	-	-	−22,958	−22,958	-	−22,958
Transactions with owners	**−8**	**−1,610**	**-**	**−23,225**	**−24,842**	**-**	**−24,842**
Net profit	-	-	-	13,631	13,631	−500	13,132
Other comprehensive income	-	-	−1,988	-	−1,988	-	−1,988
Total comprehensive income	**-**	**-**	**−1,988**	**13,631**	**11,643**	**−500**	**11,144**
As of June 30, 2020	**109,326**	**148,243**	**−19,535**	**185,372**	**423,406**	**288**	**423,694**
As of January 1, 2021	**109,326**	**149,918**	**−20,995**	**214,994**	**453,243**	**776**	**454,019**
Acquisition of treasury stock	−12	-	-	−59	−71	-	−71
Share-based payment	-	−1,632	-		−1,632	-	−1,632
Dividend	-	-	-	−25,142	−25,142	-	−25,142
Transactions with owners	**−12**	**−1,632**	**-**	**−25,201**	**−26,845**	**-**	**−26,845**
Net profit	-	-	-	21,279	21,279	−120	21,159
Other comprehensive income	-	-	1,937	-	1,937	-	1,937
Total comprehensive income	**-**	**-**	**1,937**	**21,279**	**23,216**	**−120**	**23,096**
Changes to the scope of consolidation	-	-	-	934	934	-	934
As of June 30, 2021	**109,314**	**148,286**	**−19,058**	**212,006**	**450,547**	**656**	**451,203**

Notes to the interim financial statements of the Group

1 Information about the company

The consolidated financial statements were prepared by MLP SE, Wiesloch, Germany, the ultimate parent company of the MLP Group. MLP SE is listed in the Mannheim Commercial Register under the number HRB 728672 at the address Alte Heerstraße 40, 69168 Wiesloch, Germany.

Since it was founded in 1971, the MLP Group (MLP) has been operating as a broker and adviser for academics and other discerning clients in the fields of old-age provision including occupational pension provision, healthcare provision, non-life insurance, loans and mortgages, wealth management, development and management of real estate as well as banking services

2 Principles governing the preparation of the financial statements

The interim financial report has been prepared in line with the regulations set out in IAS 34 (Interim financial reporting). It is based on the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as applicable within the European Union (EU). In accordance with the provisions of IAS 34, the scope of the report has been reduced compared to the consolidated financial statements as of December 31, 2020.

Except for the changes presented in Note (3), the condensed consolidated interim financial statements are based on the accounting and valuation methods as well as the consolidation principles that were applied to the Group financial statements for the financial year 2020. These are presented in the Group notes of the Annual Report 2020 that can be downloaded from the company's website (www.mlp-se.com).

The interim financial statements have been drawn up in euros (€), which is the functional currency of the parent company. Unless otherwise specified, all amounts are stated in thousands of euros (€'000). Both single and cumulative figures are values with the smallest rounding difference. As a result, differences to reported total amounts may arise when adding up the individual values.

3 Amendments to the accounting policies

The accounting policies applied are the same as those used in the previous year, with the following exceptions:

In the financial year 2021, the following new or amended accounting principles from the IFRS standards are to be used at MLP for the first time:

- Amendments to IFRS 4: Adoption of IFRS 9
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Reform of reference rates

4 Seasonal influences on the business operations

Due to the seasonal development of its business, the Group generally expects earnings to be higher in the second half-year than in the first half-year.

5 Company acquisitions

On February 8, 2021, MLP Assekuranzmakler Holding GmbH (formerly: MLP Consult GmbH, now RVM GmbH) signed the acquisition agreement for 100 % of the shares in RVM Versicherungsmakler GmbH & Co. KG., including its main subsidiaries ("RVM Group"). With effect from February 12, 2021, MLP Finanzberatung SE granted MLP Assekuranzmakler Holding GmbH a loan in the mid-double-digit million range in order to complete this acquisition. MLP Finanzberatung SE has used external financing to cover around half of the loan amount granted.The loan agreement was concluded and funds were drawn with effect from June 30, 2021.

With its well-established business model, the industrial insurance broker RVM has a strong focus on small and medium-sized enterprises and supports more than 2,500 companies in this segment. The acquisition constitutes the essential basis for developing the commercial and industrial insurance market segment.

The acquisition of the RVM Group is to serve as the foundation for a systematic expansion of the new Industrial Broker segment.

The total purchase price that MLP has paid to the two shareholders is in the mid-double-digit million range. This includes a mechanism via which a portion of the purchase price is linked to the quality of business development displayed up to the end of 2022 and which might result in a repayment claim. MLP does not expect that such a repayment claim against the vendors will arise on December 31, 2022.

The following section presents the method for determining goodwill on the basis of the provisional purchase price allocation.

Net assets of RVM-Group acquired

All figures in €'000	Carrying amount before purchase	Adjustment	Fair Value
Intangible assets	84	42,124	42,207
Property, plant and equipment	169	2,398	2,567
Deferred tax assets	0	1,935	1,935
Financial assets	552	1,644	2,196
Tax refund claims	1	0	1
Other receivables and assets	4,640	533	5,173
Cash and cash equivalents	18,660	0	18,660
Assets	**24,106**	**48,634**	**72,740**
Provisions	−1,400	0	−1,400
Liabilities	−18,005	−2,405	−20,409
Deferred tax liabilities	0	−24	−24
Debts	**−19,405**	**−2,429**	**−21,834**
Net assets	**4,701**	**46,205**	**50,906**
Acquired goodwill [1]			**4,722**
Purchase price			**55,628**
Cash outflow from the acquisition			**56,006**

[1] deductible for tax purposes

Goodwill essentially comprises anticipated synergies from the business combination and the staff base of the DI Group.

As of June 30, 2020, RVM contributed an EBIT of € -1,577 thsd and revenue of € 2,543 thsd to the Group's net profit. If the company acquisition had been performed at the start of the year and based on a significantly simplified assumptions this would have resulted in Group net profit of € 27,655 thsd as of June 30, 2020 and revenue for 6 months of € 422,721 thsd.

6 Reportable business segments

In contrast with December 31, 2020, the acquisition of the RVM group has resulted in the new reportable Industrial Broker operating segment. Other than that there were no other significant changes.

The object of the new reportable Industrial Broker business segment is to provide consulting services and insurances for industrial and commercial clients as well as the brokerage of insurance policies. The segment currently comprises RVM GmbH, RVM Versicherungsmakler GmbH and RISConsult GmbH.

Information regarding reportable business segments (quarterly comparison)

all figures in €'000	Financial Consulting		Banking		FERI		DOMCURA		Industrial broker		Holding and Others		Consolidation		Total	
	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020
Revenue	88,164	73,583	25,377	20,743	61,231	49,162	18,902	17,783	2,543	-	3,544	15	−3,955	−3,076	195,806	158,209
of which total inter-segment revenue	2,295	1,720	1,660	1,356	-	-	-	-	-	-	-	-	−3,955	−3,076	-	-
Other revenue	5,654	4,782	866	4,155	1,276	1,593	437	617	70	-	3,242	3,215	−6,954	−7,256	4,594	7,106
of which total inter-segment revenue	3,267	3,425	677	715	-	-	-	-	-	-	3,011	3,115	−6,956	−7,256	-	-
Total revenue	93,818	78,365	26,244	24,897	62,507	50,755	19,339	18,400	2,614	-	6,787	3,230	−10,909	−10,332	200,400	165,315
Inventory changes	-	-	-	-	-	-	-	-	-	-	2,213	636	-	-	2,213	636
Commission expenses	−46,721	−37,423	−11,406	−8,592	−33,544	−25,574	−13,272	−12,303	−53	-	−4,907	−555	3,497	2,570	−106,407	−81,876
Interest expenses	0	0	−66	−63	0	0	0	0	0	-	0	0	−29	−34	−94	−97
Valuation result/loan loss provisions	25	−175	368	814	−61	−131	30	107	0	-	19	24	0	0	381	638
Personnel expenses	−19,727	−17,434	−3,298	−3,020	−10,281	−11,622	−4,709	−4,217	−2,727	-	−1,992	−1,598	0	0	−42,733	−37,891
Depreciation and impairments	−5,107	−5,101	−96	−94	−615	−565	−634	−600	−503	-	−1,225	−605	0	0	−8,179	−6,965
Other operating expenses	−24,865	−24,544	−9,426	−8,714	−2,921	−1,892	−2,023	−1,834	−451	-	−4,430	−3,032	6,955	7,373	−37,160	−32,644
Earnings from investments accounted for using the equity method	1,153	977	-	-	-	-	-	-	-	-	−2	−2	-	-	1,151	975
Earnings before interest and tax (EBIT)	**−1,423**	**−5,334**	**2,321**	**5,229**	**15,085**	**10,972**	**−1,268**	**−448**	**−1,119**	**-**	**−3,537**	**−1,902**	**486**	**−423**	**9,571**	**8,093**
Other interest and similar income	295	45	5	912	−13	−20	−36	−41	−5	-	24	79	−209	−7	59	968
Other interest and similar expenses	−682	−750	4	−36	−103	−112	−7	−10	−173	-	−587	−485	601	476	−949	−917
Valuation result not relating to operating activities	72	−73	-	-	-	-	-	-	-	-	8	−19	-	-	80	−92
Finance cost	−316	−778	8	876	−116	−133	−43	−50	−179	-	−556	−426	391	469	−810	−41
Earnings before tax (EBT)	**−1,739**	**−6,112**	**2,329**	**6,105**	**14,969**	**10,839**	**−1,311**	**−499**	**−1,297**	**-**	**−4,094**	**−2,328**	**−95**	**46**	**8,761**	**8,051**
Income taxes															−3,410	−2,495
Net profit															**5,351**	**5,556**
of which attributable to																
owners of the parent company															5,391	5,813
minority interests															−40	−257

Information regarding reportable business segments (half-yearly comparison)

	Financial Consulting		Banking		FERI		DOMCURA		Industrial broker		Holding and Others		Consolidation		Total	
all figures in €'000	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020
Revenue	180,715	164,843	49,089	41,945	119,584	88,419	64,244	60,631	2,543	-	5,946	16	−10,667	−8,232	411,454	347,621
of which total inter-segment revenue	7,401	5,653	3,266	2,579	-	-	-	-	-	-	-	-	−10,667	−8,232	-	-
Other revenue	13,096	11,364	1,595	4,970	1,725	2,170	806	970	70	-	7,025	6,457	−13,953	−14,542	10,365	11,389
of which total inter-segment revenue	6,593	6,859	1,333	1,452	-	-	-	-	-	-	6,027	6,231	−13,953	−14,542	-	-
Total revenue	193,811	176,206	50,684	46,915	121,309	90,588	65,050	61,601	2,614	-	12,971	6,473	−24,619	−22,774	421,819	359,010
Inventory changes	-	-	-	-	-	-	-	-	-	-	1,824	2,900	0	0	1,824	2,900
Commission expenses	−94,705	−84,669	−21,849	−17,601	−65,437	−50,372	−41,998	−39,655	−53	-	−6,205	−2,820	9,465	7,246	−220,781	−187,871
Interest expenses	-	-	−56	−128	-	-	-	-	-	-	-	-	−118	−89	−175	−217
Valuation result/loan loss provisions	−148	−447	−228	−2,302	−79	−75	−59	−19	-	-	−17	−124	-	-	−532	−2,966
Personnel expenses	−40,647	−36,210	−6,875	−6,363	−20,426	−19,216	−9,687	−8,963	−2,727	-	−4,363	−3,240	-	-	−84,726	−73,992
Depreciation and impairments	−10,125	−10,108	−192	−188	−1,172	−1,133	−1,248	−1,172	−503	-	−1,849	−1,182	-	-	−15,088	−13,784
Other operating expenses	−50,559	−49,290	−18,721	−17,871	−5,240	−4,434	−3,774	−3,600	−451	-	−8,339	−5,615	13,991	14,701	−73,092	−66,110
Earnings from investments accounted for using the equity method	2,162	1,706	-	-	-	-	-	-	-	-	−4	82	-	-	2,157	1,789
Earnings before interest and tax (EBIT)	**−211**	**−2,812**	**2,763**	**2,463**	**28,955**	**15,359**	**8,284**	**8,192**	**−1,119**	**-**	**−5,983**	**−3,525**	**−1,281**	**−917**	**31,408**	**18,760**
Other interest and similar income	387	71	35	915	−19	−22	−116	−99	−5	-	126	118	−284	14	124	998
Other interest and similar expenses	−1,410	−1,561	−8	−41	−194	−204	−14	−19	−173	-	−1,203	−925	1,165	919	−1,838	−1,832
Valuation result not relating to operating activities	−26	−98	-	-	-	-	-	-	-	-	3	−19	-	-	−23	−118
Finance cost	−1,048	−1,588	27	874	−213	−226	−131	−118	−179	-	−1,074	−826	881	934	−1,736	−951
Earnings before tax (EBT)	**−1,259**	**−4,400**	**2,790**	**3,337**	**28,742**	**15,133**	**8,153**	**8,074**	**−1,297**	**-**	**−7,057**	**−4,351**	**−400**	**17**	**29,672**	**17,809**
Income taxes															−8,513	−4,677
Net profit															**21,159**	**13,132**
of which attributable to																
owners of the parent company															21,279	13,631
minority interests															−120	−500

7 Revenue

all figures in €'000	Q2 2021	Q2 2020	H1 2021	H1 2020
Wealth management	82,092	64,866	159,376	120,178
Non-life insurance	27,214	23,776	94,328	88,228
Old-age provision	49,002	39,493	88,248	78,870
Health insurance	13,979	12,091	28,173	25,209
Real estate brokerage	13,609	8,617	22,289	16,109
Loans and mortgages	5,734	4,441	10,584	8,769
Other commissions and fees	1,108	1,037	2,107	2,294
Total commission income	**192,738**	**154,321**	**405,104**	**339,657**
Interest income	**3,068**	**3,887**	**6,351**	**7,964**
Total	**195,806**	**158,209**	**411,454**	**347,621**

The commission income disclosed under revenue is recognised on a regular and point-in-time basis. Revenue recognised over time totalling € 185,478 thsd was generated from the old-age provision business in the Financial Consulting segment, from the health insurance business in the Financial Consulting and DOMCURA segments, from the wealth management business in the Financial Consulting, Banking and FERI segments, as well as from the real estate brokerage business in the Holding and Others segment (previous year: € 140,599 thsd).

Revenue from the interest rate business includes negative interest from lending and money market transactions of € 2,221 thsd (previous year: € 1,402 thsd).

8 Commission expenses

Commission expenses for the period from January 1 to June 30, 2021 increased over the same period in the previous year from € 187,871 thsd auf € 220,781 thsd. They mainly include commission payments and other compensation components for the self-employed MLP consultants, as well as the compensation for sales partners at the remaining subsidiaries. For further details, please refer to the "Results of operations" section in the interim Group management report.

9 Personnel expenses/Number of employees

Personnel expenses for the period from January 1 to June 30, 2021 increased from € 73,992 thsd to € 84,726 thsd compared to the same period in the previous year. For further details, please refer to the "Employees and self-employed client consultants" section of the interim Group management report.

As of June 30, 2021, the number of employees by business segment are as follows:

	June 30, 2021			June 30, 2020		
		of which executive employees	of which marginal part-time employees		of which executive employees	of which marginal part-time employees
Financial Consulting	1,132	37	27	1,087	36	24
Banking	202	6	2	193	6	3
FERI	226	9	28	224	9	28
DOMCURA	310	11	24	289	9	20
Industrial broker	167	7	10	-	-	-
Holding and Others	54	1	4	42	1	4
Total	**2,091**	**71**	**95**	**1,835**	**61**	**79**

10 Depreciation and impairments

all figures in €'000	Q2 2021	Q2 2020	H1 2021	H1 2020
Intangible assets	2,815	2,501	5,271	4,962
Property, plant and equipment	4,761	4,420	9,213	8,778
of which property, plant and equipment	1,576	1,520	3,083	3,004
of which right-of-use assets	3,185	2,900	6,130	5,773
Depreciation	7,575	6,921	14,485	13,740
Property, plant and equipment	603	44	603	44
of which property, plant and equipment	603	-	603	-
of which right-of-use assets	-	44	-	44
Impairment	603	44	603	44
Total	**8,179**	**6,965**	**15,088**	**13,784**

In the first half of 2021, depreciation of property, plant and equipment includes depreciation charges of € 6,130 thsd (previous year: € 5,773 thsd) for right-of-use assets as per IFRS 16, € 5,397 thsd thereof (previous year: € 5,234 thsd) can be attributed to the depreciation of right-of-use assets for real estate, € 709 thsd (previous year: € 539 thsd) can be attributed to the depreciation of right-of-use assets for vehicles and € 24 thsd can be attributed to the depreciation of other operating and office equipment, in particular IT (previous year: € 0 thsd). In the first half of 2021, depreciation of property, plant and equipment includes impairment losses for buildings of € 603 thsd (previous year: impairment of right-of-use assets of € 44 thsd) as per IFRS 16.

11 Other operating expenses

all figures in €'000	Q2 2021	Q2 2020	H1 2021	H1 2020
IT operations	12,876	11,976	25,849	24,123
Consultancy	7,376	3,540	13,127	6,378
Other external services	2,741	2,258	5,753	4,400
Administration operations	2,766	2,846	5,505	5,409
External services – banking business	2,571	2,272	5,009	5,037
Premiums and fees	1,275	1,046	2,917	2,217
Representation and advertising	1,381	1,265	2,711	2,709
Insurance	783	770	1,643	1,758
Maintenance	966	545	1,505	1,308
Goodwill	611	274	1,400	1,030
Expenses for commercial agents	682	2,124	1,244	2,988
Other employee-related expenses	524	426	1,026	1,046
Audit	353	315	707	607
Training and further education	302	435	523	1,607
Rental and leasing	250	205	499	302
Supervisory Board compensation	241	234	480	467
Travel expenses	202	288	415	1,022
Entertainment	118	6	217	793
Sundry other operating expenses	1,142	1,820	2,563	2,908
Total	**37,160**	**32,644**	**73,092**	**66,110**

The costs of IT operations are mainly attributable to IT services and computer centre services that have been outsourced to external service providers. The consulting costs are made up of tax advice costs, legal advice costs as well as general and IT consulting costs. Other external services essentially include expenses for online acquisition of potential new clients. The expenses for administration operations include costs relating to building operations, office costs and communication costs. The item "External services - banking business" mainly contains securities settlement and transaction costs in connection with the MLP credit card. The item "Premiums and fees" essentially comprises premiums paid to the compensation scheme and deposit protection of German banks, premiums and fees paid to the European Central Bank, premiums and fees paid to the Federal Financial Supervisory Authority, as well as postage and freight costs. Expenses for representation and advertising include costs incurred due to media presence and client information activities. Expenses for commercial agents include costs such as for former consultants and the training allowance granted for MLP consultants. Sundry other operating expenses include costs such as for other taxes, cancellations of conferences and events as a result of the coronavirus pandemic, purchasing of masks, lateral flow tests and disinfectants, donations and vehicles costs.

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12 Finance cost

all figures in €'000	Q2 2021	Q2 2020	H1 2021	H1 2020
Other interest and similar income	59	968	124	998
Other interest and similar expenses	−949	−917	−1,838	−1,832
Valuation result not relating to operating activities	80	−92	−23	−118
Finance cost	**−810**	**−41**	**−1,736**	**−951**

Other interest and similar income includes negative interest on bank deposits of € 319 thsd (previous year: € 328 thsd). Other interest and similar expenses includes. € 71 thsd in interest expenses from net obligations for defined benefit obligations carried on the balance sheet (previous year: € 167 thsd). In addition, the item comprises expenses from the accrued interest of leasing liabilities pursuant to IFRS 16 of € 154 thsd (previous year: € 301 thsd). This item also inlcudes interest expenses on borrowings of € 207 thsd (previous year: € 0 thsd).

13 Property, plant and equipment

Rights of use from leases are disclosed under the "property, plant and equipment" item. As of June 30, 2021, rights of use of € 55,398 thsd are in place (December 31, 2020: € 50,063 thsd), some € 52,520 thsd of which (December 31, 2020: € 48,079 thsd) can be attributed to rented buildings and € 2,444 thsd (December 31, 2020: € 1,984 thsd) to vehicle leasing and € 434 thsd to other operating and office equipment (December 31, 2020: € 0 thsd).

14 Financial assets

Financial assets

All figures in €'000	June 30, 2021	Dec 31, 2020
AC	99,403	101,849
FVPL	10,058	10,056
Debenture and other fixed income securities	**109,461**	**111,905**
FVPL	8,454	7,084
Shares and other variable yield securities	**8,454**	**7,084**
Fixed and time deposits (loans and receivables)	**79,914**	**69,949**
Investments in non-consolidated subsidiaries	**6,634**	**7,973**
Shares in associates (not at equity)	**2,646**	**660**
Investments	**261**	**51**
Total	**207,371**	**197,623**

15 Other accounts receivables and assets/other liabilities

Due to the seasonal nature of the business with strong year-end performance, high receivables from insurance companies, as well as high liabilities due to commercial agents that were settled in the first quarter of 2021 were to be disclosed as at December 31, 2020. Through the seasonal influences a lower amount of receivables and liabilities were built up in the first half-year of 2021.

In the item "Other liabilities", liabilities due to banks outside the banking business have increased due to borrowings in the financial year.

Other liabilities contain payment obligations resulting from leases in the context of IFRS 16 of € 56,621 thsd (December 31, 2020: € 51,157 thsd)

16 Shareholders' equity

Share capital

The share capital of MLP SE comprises 109,314,088 ordinary shares (December 31, 2020: 109,326,186). The retained earnings include a statutory reserve of € 3,117 thsd (previous year: € 3,129 thsd).

Dividend

As per the resolution passed at the Annual General Meeting on June 24, 2021, a dividend of € 25,147 thsd (previous year: € 22,958 thsd) was to be paid for the financial year 2020. This corresponds to € 0.23 per share (previous year: € 0.21) per share.

17 Notes to the statement of cash flow

The consolidated statement of cash flow shows how cash and cash equivalents have changed in the course of the year as a result of inflows and outflows of funds. As per IAS 7 "Statement of Cash Flows", differentiation is made between cash flows from operating activities, from investing activities and from financing activities.

Cash flow from operating activities results from cash flows that cannot be defined as investing or financing activities. It is determined on the basis of consolidated net profit for the year. As part of the indirect determination of cash flow, the changes in balance sheet items due to operating activities are adjusted by effects from changes to the scope of consolidation and currency translations where necessary. For further details, please refer to the "Financial position" section in the interim Group management report.

Cash flow from investing activities is essentially influenced by the investment of cash and cash equivalents in time deposits, in time deposits which have reached maturity as well as the acquisition of RVM.

Cash flow from financing activities includes cash-relevant equity changes and loans taken out and paid back. The repayment portions of leasing liabilities are contained in the cashflow from financing activities.

Cash and cash equivalents with a term to maturity of not more than three months are recorded under cash and cash equivalents. Cash equivalents are short-term financial assets which can be converted into cash at any time and which are only subject to minor value fluctuation risks.

Cash and cash equivalents

All figures in €'000	June 30, 2021	Dec 31, 2020
Cash and cash equivalents	1,209,109	859,041
Liabilities to banks due on demand (excluding the banking business)	−3,668	−3,244
Cash and cash equivalents	**1,205,441**	**855,797**

Receivables of MLP Banking AG due from banks are included in cash and cash equivalents, insofar as they are separable as own-account investing activities. Inseparable elements are allocated to the operating business of the Banking business segment and therefore to cash flow from operating activities. All deposits at the Deutsche Bundesbank are disclosed under cash and cash equivalents..

18 Contingent assets and liabilities, as well as other liabilities

Contingent liabilities arising from sureties and guarantees (face value of the obligation) declined from € 5,356 thsd as at December 31, 2020 to € 3,241 thsd, while the irrevocable credit commitments (contingent liabilities) increased from € 67,662 thsd as at December 31, 2020 to € 118,156 thsd.

Beyond this there were no significant changes compared to December 31, 2020.

19 Additional information on financial instruments

The carrying amounts and fair values of financial assets and financial liabilities, including their (hierarchical) tiers, are grouped into financial instrument classes and categories as shown in the following tables:

All figures in €'000	Carrying amount	Fair value: Carrying amount corresponds to fair value	Fair value: Stage 1	Fair value: Stage 2	Fair value: Stage 3	Fair value: Total	June 30, 2021: No financial instruments according to IFRS 9
Financial assets measured at fair value through profit or loss (FVPL)	**18,773**	**2,428**	**6,288**	**10,058**	**-**	**18,773**	**9,280**
Financial investments (structured bonds)	10,058	-	-	10,058	-	10,058	-
Financial investments (investment fund shares)	8,454	2,167	6,288	-	-	8,454	-
Investments	261	261	-	-	-	261	-
Investments in non-consilidated subsidiaries	-	-	-	-	-	-	6,634
Shares in associates (not at equity)	-	-	-	-	-	-	2,646
Financial assets measured at amortised cost (AC)	**3,050,232**	**1,673,014**	**61,799**	**509,487**	**847,612**	**3,091,912**	**38,026**
Receivables from banking business – clients	913,248	107,223	-	-	847,612	954,834	-
Receivables from banking business – banks	588,505	116,716	-	471,301	-	588,016	-
Financial assets (fixed and time deposits)	69,918	69,918	-	-	-	69,918	-
Financial assets (loans)	9,997	9,997	-	-	-	9,997	-
Financial assets (bonds)	99,403	-	61,799	38,186	-	99,985	-
Other receivables and assets	160,052	160,052	-	-	-	160,052	38,026
Cash and cash equivalents	1,209,109	1,209,109	-	-	-	1,209,109	-
Financial liabilities measured at amortised cost	**2,871,986**	**2,721,451**	**-**	**150,698**	**-**	**2,872,149**	**58,392**
Liabilities due to banking business – clients	2,507,416	2,475,341	-	32,168	-	2,507,510	-
Liabilities due to banking business – banks	120,508	2,047	-	118,530	-	120,577	-
Other liabilities	244,063	244,063	-	-	-	244,063	58,392
Sureties and warranties*	**3,241**	**3,241**	**-**	**-**	**-**	**3,241**	**3,241**
Irrevocable credit commitments*	**118,156**	**118,156**	**-**	**-**	**-**	**118,156**	**118,156**

* Off balance sheet items. Figures before loan loss provisions.

							Dec 31, 2020
	Carrying amount					Fair value	No financial instruments according to IFRS 9
Financial assets measured at fair value through profit or loss (FVPL)	17,191	1,816	5,320	10,056	-	17,191	8,633
Financial investments (structured bonds)	10,056	-	-	10,056	-	10,056	-
Financial investments (investment fund shares)	7,084	1,764	5,320	-	-	7,084	-
Investments	51	51	-	-	-	51	-
Investments in non-consilidated subsidiaries	-	-	-	-	-	-	7,973
Shares in associates (not at equity)	-	-	-	-	-	-	660
Financial assets measured at amortised cost (AC)	**2,822,587**	**1,316,016**	**54,889**	**684,939**	**815,715**	**2,871,559**	**40,121**
Receivables from banking business – clients	880,649	113,767	-	-	815,715	929,482	-
Receivables from banking business – banks	751,466	113,626	-	637,336	-	750,962	-
Financial assets (fixed and time deposits)	59,951	59,951	-	-	-	59,951	-
Financial assets (loans)	9,998	9,998	-	-	-	9,989	-
Financial assets (bonds)	101,849	-	54,889	47,603	-	102,493	-
Other receivables and assets	159,632	159,632	-	-	-	159,632	40,121
Cash and cash equivalents	859,041	859,041	-	-	-	859,041	-
Financial liabilities measured at amortised cost	**2,586,665**	**2,440,878**	**-**	**138,214**	**-**	**2,579,092**	**58,447**
Liabilities due to banking business – clients	2,271,919	2,232,221	-	29,306	-	2,261,527	-
Liabilities due to banking business – banks	107,471	1,382	-	108,908	-	110,290	-
Other liabilities	207,275	207,275	-	-	-	207,275	58,447
Sureties and warranties*	**5,356**	**5,356**	**-**	**-**	**-**	**5,356**	**5,356**
Irrevocable credit commitments*	**67,662**	**67,662**	**-**	**-**	**-**	**67,662**	**67,662**

* Off balance sheet items. Figures before loan loss provisions.

Cash and cash equivalents, receivables and liabilities due to banking business without agreed terms to maturity, trade receivables, from companies in which the Group holds an interest and other assets all predominantly have short terms to maturity. Their carrying amounts on the balance sheet date are therefore almost identical to the fair values. The same applies to the trade accounts payable. Insofar as fair values for investments in companies cannot be reliably determined, they are measured at their cost of acquisition minus any impairments. As of the balance sheet date there is no indication of fair values being lower than carrying amounts. There are also no plans to dispose of these investments.

Determining fair value

Insofar as there is an active market for financial assets and financial liabilities, the prices of the market with the greatest trading volume on the closing date are used as the basis for determining the fair value. With investment shares, the fair value corresponds to the redemption prices published by the capital investment companies. If there is no active market on the closing date, the fair value is determined using recognised valuation models. The underlying accounting and valuation principles with respect to financial instruments remain unchanged compared to the previous year and are contained in the Annual Report 2020.

The table below shows the valuation techniques that were used to determine tier 3 fair values, as well as the significant, non-observable input factors applied:

Type	**Valuation technique**	**Significant, non-observable input factors**	**Relationships between significant, non-observable input factors and measurement at fair value**
Receivables from banking business – clients with agreed maturity	The valuation model takes into account the present value of the anticipated future cash inflows/outflows throughout the remaining term, which are discounted using a risk-free discount rate. The discount rate is based on the current yield curve. Credit and default risks, administration costs and expected return on equity are taken into account when determining future cash flows.	Adjustment of cash flows by: • credit and counterparty default risks • administration costs • expected return on equity	The estimated fair value would increase (decrease) if:das the • credit and default risk were to fall (rise) • the admin costs were to fall (rise), • the expected return on equity were to fall (rise).

20 Related party disclosures

Within the scope of the ordinary business, legal transactions were made between individual Group companies and members of the Executive Board and the Supervisory Board in line with market conditions.

There were no significant changes in comparison with December 31, 2020.

21 Events after the balance sheet date

With the contract dated May 12, 2021, MLP Assekuranzmakler Holding GmbH acquired 100 % of the shares in Adolph Jahn GmbH & Co. KG, Ed. Sengstack & Sohn GmbH & Co. KG, Hans L. Grauerholz GmbH, as well as Erich Schulz GmbH. This corporate alliance has a great deal of expertise in the field of transport insurance and generates annual sales revenue of € 2 million with just 15 employees. The transaction was closed in Q3 2021.

Beyond this there were no appreciable events after the balance sheet date affecting the MLP Group's financial or asset situation.

Wiesloch, August 11, 2021

MLP SE

Excecutive Board

Dr. Uwe Schroeder-Wildberg Manfred Bauer Reinhard Loose

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Wiesloch, August 11, 2021

MLP SE

Executive Board

Dr. Uwe Schroeder-Wildberg Manfred Bauer Reinhard Loose

Executive Bodies at MLP SE

Executive Board

Dr. Uwe Schroeder-Wildberg, Chairman
Strategy
Communication
Politics
Investor Relations
Marketing
Sales
Sustainability
appointed until December 31, 2022

Manfred Bauer
Product management,
appointed until April 30, 2025

Reinhard Loose
Controlling
Purchasing
IT
Group Accounting
Risk management
Internal Audit
Legal
Human Resources
appointed until January, 31 2024

Supervisory Board

Dr. Peter Lütke-Bornefeld, Chairman
elected until 2023

Dr. Claus-Michael Dill, Vice Chairman
elected until 2023

Tina Müller
elected until 2023

Mathias Lautenschläger
elected until 2023

Alexander Beer
Employees representative,
elected until 2023

Monika Stumpf
Employees representative,
elected until 2023

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Financial calendar

September

September 20 to 22, 2021
Company presentation at the Berenberg & Goldman Sachs Virtual German Corporate Conference

November

November 11, 2021
Publication of the resutls for the first nine months and third quarter of 2021

November 22 to 24, 2021
Company presentation at the Virtual German Equity Forum

PROGNOSES
This documentation includes certain prognoses and information on future developments founded on the conviction of MLP SE's Executive Board, as well as on assumptions and information currently available to MLP SE. Terms such as "expect", "anticipate", "estimate", "assume", "intend", "plan", "should", "could", "might", "project" and any other phrases used in reference to the company describe prognoses based on certain factors subject to uncertainty.

Many factors can contribute to the actual results of the MLP Group differing significantly from the prognoses made in such statements.

MLP SE accepts no liability to the general public for updating or correcting prognoses. All prognoses and predictions are subject to different kinds of risks and uncertainties, which can lead to the actual results deviating from expectations. The prognoses reflect the points of view at the time when they were made.

MLP SE

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