

**Financial statements
and joint management report
MLP AG 2016**



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Joint management report

Pursuant to § 315 (3) and in connection with § 298 (3) of the German Commercial Code (HGT), the report of MLP AG on the situation of the company and Group are published as a joint management report in the MLP Annual Report 2016.

The financial statements and joint management report of MLP AG on the situation of the company and Group for the financial year 2016 are submitted to the operator of the electronic version of the Federal Gazette (Bundesanzeiger) where they are then published.

The financial statements of MLP AG, as well as the Annual Report of the MLP Group for the financial year 2016 are also available for viewing on the Internet at <https://www.mlp-ag.com/investors/financial-publications/reports/>.

Report by the Supervisory Board

In the 2016 financial year, the Supervisory Board reviewed the company's development in depth and performed fully its supervisory duties. It regularly advised and monitored the Executive Board in running the business of the company.

During the course of the last financial year, the Supervisory Board paid particular attention to the economic development, financial situation, prospects and further strategy of the company, and advised the Executive Board on these topics. Its work in the financial year 2016 focused in particular on supporting the Executive Board in the strategic development of the company and of the MLP Group, implementing further measures to increase efficiency and both assessing and monitoring the opportunity and risk position of the company and the Group.

The Supervisory and Executive Boards met regularly in the reporting year for discussions and joint consultations regarding business development, strategy and key events within the company. The Supervisory Board was directly involved in all decisions of fundamental importance to the company. The Executive Board regularly provided the Supervisory Board with written and oral reports in a timely and comprehensive manner on all relevant issues related to corporate planning, strategic development, the business situation and the position and overall development of the Group as a whole, including the risk situation, risk management, risk-bearing ability and compliance. The Supervisory Board was able to confirm the appropriateness of the Executive Board's corporate governance. In 2016, the Executive Board also reported to and advised the Supervisory Board on the content and anticipated effects of legislative or regulatory proposals at the German national or EU level.

No personnel changes were made to the Supervisory Board in 2016; nor were changes made to the company's Executive Board in the previous financial year.

The Supervisory Board held five regular meetings and one extraordinary meeting in the financial year 2016. With the exception of one meeting, all members of the Supervisory Board attended the meetings in person. Individual members of the Supervisory Board participated in the extraordinary Supervisory Board meeting via telephone. The Supervisory Board was also informed by the Executive Board of particularly important or urgent projects outside of the regular meetings. Where necessary, Supervisory Board resolutions were also passed as circular resolutions.

In addition, three meetings of the Audit Committee were also held in this year. All committee members took part. The Personnel Committee convened once in the previous financial year.

Furthermore, the Chairman of the Supervisory Board met with the Chairman of the Executive Board on a regular basis to discuss various issues, in particular the business situation and the

position of the Group. The Chairman of the Supervisory Board regularly informed the other members about the content of these meetings.

Supervisory Board meetings and important resolutions

In an extraordinary Supervisory Board meeting held on February 24, 2016, further tightening of the cost management and strategic restructuring of the group was discussed. A corresponding Executive Board proposal was then approved.

Following preparations in the meeting of the Audit Committee, the Supervisory Board meeting on March 16, 2016 focused on the audit and approval of the financial statements and the consolidated financial statements as of December 31, 2015. The auditors participated in the meeting and gave detailed reports on the course and outcome of their audit of the financial statements and the consolidated financial statements. Following an in-depth discussion, the Supervisory Board approved both the financial statements and the consolidated financial statements as of December 31, 2015. In addition to this, the Supervisory Board also reviewed and approved the appropriateness of the Executive Board's remuneration – as required in accordance with the Corporate Governance Code – as well as the variable remuneration components of the Executive Board for the financial year 2015. The proposed resolutions for the company's Regular Annual General Meeting were another item on the agenda.

The regular Supervisory Board meeting on May 11, 2016 focused primarily on discussing the results and business development from the first quarter of 2016.

The results of the second quarter, the business development in the first half of the year, reporting on the internal audit and risk controlling (including report on the notion of materiality, risk strategy and risk-bearing capacity concept) were all on the agenda of the regular Supervisory Board meeting on August 10, 2016.

The November meeting focused on the business results of the third quarter and the first nine months of the current financial year. Alongside this, the Supervisory Board approved corresponding measures for implementation of the EU Audit Regulation and Germany's audit reform legislation (AReG). Other topics discussed included the change of corporate form from MLP AG to a "Societas Europaea" or SE. A respective resolution was then drafted, which will propose to the Annual General Meeting that MLP AG be converted to an SE in 2017.

At the meeting on December 14, 2016, discussions focused on the resolution regarding the Declaration of Compliance as per § 161 of the German Stock Corporation Act (AktG), alongside adherence to the regulations of the German Corporate Governance Code (GCGC). Extensive reporting was provided on the corporate governance process and the current Declaration of

Compliance. Furthermore, the Supervisory Board addressed in detail and approved the strategy and budget of both the Group and the company for the financial year 2017.

Supervisory Board committees

The Supervisory Board was regularly informed of the work carried out by its committees in 2016.

The Audit Committee held three regular meetings in the financial year 2016. Representatives of the audit firm also took part in some of the meetings, providing the committee with detailed reports. In the presence of the auditors, the Chairman of the Executive Board and the Chief Financial Officer, the Audit Committee discussed the financial statements of MLP AG and the MLP Group as well as the proposed appropriation of earnings. Furthermore, the relationship to the auditor, proposals for selecting the auditor, auditor fees, audit assignment and monitoring of the auditor's independence were the subject of extensive discussions. The Audit Committee received regular reports on the work of the Internal Audit and of the Compliance and Risk Management department and was informed on legal and regulatory risks and risks to reputation. In its two meetings, the Audit Committee also addressed in detail the new legislation arising from the EU Audit Regulation and Germany's audit reform legislation (AReG). The Committee discussed corresponding implementation measures for the Supervisory Board and the Audit Committee. This led to the approval of measures to ensure compliance with the new legislation.

The Personnel Committee met only once in the reporting period and focused in particular on checking the appropriateness of Executive Board remuneration, as well as determining the bonus pool for the MLP Group.

The Nomination Committee did not hold any meetings in the financial year 2016, as there were no new Supervisory Board elections and therefore no proposed resolutions to be submitted to the Annual General Meeting.

Corporate governance

The Supervisory Board regularly deals with the application of the corporate governance principles.

Last year, the Supervisory Board dedicated its meeting on December 14, 2016 in particular to in-depth discussions on the amendments to the German Corporate Governance Code in the version of May 5, 2015.

In the meeting held on December 14, 2016, the Supervisory Board reviewed the efficiency of its actions based on an evaluation form made available to the members of the Supervisory Board in good time prior to the meeting. The Supervisory Board also discussed procedures in the Supervisory Board, the information flow between the Committees and the Supervisory Board, and the timeliness and sufficient content of reporting by the Executive Board to the Supervisory Board on this occasion. Measures aimed at increasing efficiency were analysed.

At the same meeting, MLP AG's Supervisory Board also assured that the company had met the recommendations of the GCGC in line with its Declaration of Compliance pursuant to § 161 of the German Stock Corporation Act (AktG) in the previous financial year and will in future continue to comply strictly with the recommendations of the Government Commission on the German Corporate Governance Code (version dated May 5, 2015). In December, the Supervisory Board and Executive Board issued a Declaration of Compliance pursuant to § 161 of the German Stock Corporation Act (AktG) for the financial year 2015 and made it permanently available to the shareholders via its website.

In accordance with the German Corporate Governance Code government commission, we understand conflicts of interest to mean any special professional or private interests of any member of the Supervisory Board that could potentially pose a threat to or contradict the interests of the company. Conflicts of interest in this sense do not include plurality or the existence of various streams of interests when these express diversity in terms of the Supervisory Board composition desired by the legislator or the German Corporate Governance Code government commission. There were no conflicts of interest in this sense in the last financial year. A summary of corporate governance at MLP, including the Declaration of Compliance from December 14, 2016, can be found in the Executive and Supervisory Board's corporate governance report. All relevant information is also available on our homepage at www.mlp-ag.com.

Audit of the annual financial statements and consolidated financial statements for 2016

The financial statements and the joint management report of MLP AG as of December 31, 2016 have been compiled by the Executive Board pursuant to the German Commercial Code (HGB). The consolidated financial statements and the joint management report as of December 31, 2016 were drafted as per § 315a of the German Commercial Code (HGB) in line with international financial reporting standards (IFRS) as applied in the EU. As of December 31, 2016, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin audited the financial statements and the joint management report of MLP AG in accordance with the principles of commercial law, as well as the Group financial statements and the joint management report in accordance with the

principles of IFRS, issuing an unqualified auditor's opinion in each case. The auditor performed the audit in compliance with the basic principles of sound auditing practices determined by the Institut der Wirtschaftsprüfer (German Institute of Auditors).

The financial statements, together with the joint management report, the auditor's reports and the Executive Board's proposal for use of the unappropriated profit were made available to all Supervisory Board members in good time.

The Audit Committee of the Supervisory Board reviewed these documents in detail and reported to the Supervisory Board on its audit. The auditor also reported on the key results of the audit and on the fact that there are no significant weaknesses in the internal monitoring system, the risk management system nor with regard to the compliance. The Audit Committee also reviewed the risk management system, the accounting processes and the effectiveness of the internal monitoring, risk management and auditing systems, as well as the relationship to the auditor, the proposals for selection of the auditor, the auditor's remuneration, the audit assignment and monitoring of the auditor's independence, as well as the additional services performed by the auditor. The Supervisory Board also checked and discussed the documentation and reports in detail. In the presence of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, which reported on the key findings of its audit, the audit reports were reviewed in detail at the Supervisory Board meeting on March 15, 2017. At this meeting, the Executive Board explained the financial statements of MLP AG and of the MLP Group, the risk management system, the accounting processes and the effectiveness of the internal monitoring, risk management system, audit system and of the compliance, as well as giving detailed reports on the scope, focuses and costs of the audit.

The Supervisory Board concurred with the outcome of the auditor's audit and, on the basis of the final outcome of the Audit Committee's audit and its own audit, found no grounds for raising an objection. Accordingly, at its meeting on March 15, 2017, the Supervisory Board approved the annual financial statements and the joint management report of MLP AG, as well as the consolidated financial statements and the joint management report in accordance with IFRS prepared by the Executive Board. The annual financial statements are therefore adopted.

After performing its own reviews, the Supervisory Board agreed with the Executive Board's proposal to pay out a dividend of € 0.08 per share for the financial year 2016. The equity and liquidity situation, future regulatory requirements and the company's budget, as well as the shareholders' interest in an appropriate dividend were included and weighed against one another in its considerations.

The Supervisory Board would like to thank the Executive Board, the Management of the respective Group companies, as well as all employees and consultants of the MLP Group for their exemplary personal commitment and achievements in the financial year 2016.

Wiesloch, March 2017

The Supervisory Board

Dr Peter Lütke-Bornefeld

Chairman

Corporate Governance

In December 2016, the Executive and Supervisory Boards issued the above Declaration of Compliance pursuant to § 161 of the German Stock Corporation Act (“Aktiengesetz”) and made it permanently available to shareholders via the company’s website. You can also view the text of the Declaration of Compliance of December 14, 2016 at www.mlp-ag.com.

Profit & loss account for 2016

All figures in €'000

	Notes	2016	2015
1. Revenue	[1]	5,669	-
2. Other operating income	[2]	12,336	10,995
3. Personnel expenses	[3]		
a) Salaries and wages		-3,203	-3,357
b) Social security contributions and expenses for old-age provisions and benefits of which for pensions € 706 thsd (previous year: € 2,992 thsd)		-795	-3,086
4. Amortisation of intangible assets and tangible fixed assets	[4]	-3,749	-3,808
5. Other operating expenses	[5]	-10,571	-9,687
6. Earnings before interest and tax		-311	-8,944
7. Income from profit and loss transfer agreements	[6]	23,568	36,301
8. Other interest and similar income of which from affiliated companies: € 10 thsd (previous year: € 9 thsd)	[6]	172	286
9. Interest and similar expenses of which to affiliated companies: € 24 thsd (previous year: € 36 thsd)	[6]	-1,025	-2,898
10. Finance cost	[6]	22,715	33,688
<i>Earnings before tax*</i>		-	24,744
<i>Extraordinary expenses*</i>		-	-231
<i>Extraordinary result*</i>		-	-231
11. Income tax expenses	[7]	-4,041	-8,806
12. Profit after tax		18,363	-
13. Other taxes		-144	-138
14. Net profit		18,219	15,569
15. Profit brought forward			
a) Unappropriated profit in the previous year		15,569	18,339
b) Dividend payout		-13,120	-18,339
16. Additions to other retained earnings		-2,440	-
17. Withdrawals from other retained earnings		-	-
18. Unappropriated profit	[18]	18,228	15,569

*With the introduction of the German Accounting Directive Implementation Act (BiRUG) this information is no longer provided.

Balance sheet as of December 31, 2016

Assets

All figures in €'000

	Notes	2016	2015
A. FIXED ASSETS			
I. Tangible fixed assets	[8]		
1. Land, leasehold rights and buildings including buildings on third-party land		33,782	39,165
2. Other fixtures, fittings and office equipment		2,532	2,895
3. Payments on account and assets under construction		-	-
		36,314	42,061
II. Financial assets	[9]		
1. Shares in affiliated companies		248,038	248,038
2. Other loans		10,000	-
		258,038	248,038
		294,351	290,098
B. CURRENT ASSETS			
I. Receivables and other assets			
1. Receivables from affiliated companies	[10]	24,134	36,495
2. Other assets	[11]	12,213	15,096
		36,347	51,592
II. Cash on hand and on deposit with the Deutsche Bundesbank, bank deposits and cheques	[12]	79,713	63,220
		116,060	114,812
C. PREPAID EXPENSES		178	136
D. EXCESS OF PLAN ASSETS OVER PENSION LIABILITIES	[13]	2,740	1,674
		413,329	406,720

Liabilities and shareholders' equity

All figures in €'000

	Notes	2016	2015
A. Shareholders' equity			
I. Share capital	[14]		
Ordinary shares		109,335	109,335
II. Capital reserves	[16]	139,068	139,068
III. Retained earnings	[17]		
1. Statutory reserve		3,097	3,097
2. Other retained earnings		122,944	120,504
		126,041	123,601
IV. Unappropriated profit	[18]	18,228	15,569
		392,672	387,573
B. Provisions	[19]		
1. Provisions for pensions and similar obligations		10,760	10,646
2. Tax reserves		2,511	333
3. Other provisions		3,809	5,148
		17,080	16,128
C. Liabilities	[20]		
1. Trade accounts payable		581	299
2. Liabilities due to affiliated companies		2,120	2,103
3. Other liabilities of which € 526 thsd from taxes (previous year: € 68 thsd)		876	618
		3,577	3,020
D. PREPAID EXPENSES		-	-
		413,329	406,720

Notes to the financial statements of 2016

General information

General information on the company

As the parent company of the MLP Group, MLP AG has its registered office at Alte Heerstraße 40, 69168 Wiesloch. It is entered in the Mannheim Commercial Register under the number HRB 332697. The company's primary role is to manage the Corporate Group, which is active in the areas of consulting and brokerage of all kinds of financial and similar services. The financial year is the calendar year.

Accounting policies, estimates and assumptions

In preparing the annual financial statements, it is necessary to make estimates and assumptions which may affect the carrying amounts of the assets, liabilities and financial liabilities as of the balance sheet date as well as income and expenses for the year under review.

The present financial statements have been prepared in line with §§ 242 et seq., 264 et seq. of the German Commercial Code (HGB) and the applicable regulations of the German Stock Corporation Act. The company is a large stock corporation pursuant to § 267 (3) Sentence 2 of the German Commercial Code (HGB).

The financial statements have been prepared in accordance with the regulations of the German Commercial Code (HGB) in the version as defined in the German Accounting Directive Implementation Act (BilRUG).

Due to amendment of § 277 (1) of the German Commercial Code (HGB) to as defined in the German Accounting Directive Implementation Act (BilRUG), the previous year's figures for revenue are not comparable.

With the exception of the amendments resulting from the German Accounting Directive Implementation Act (BilRUG), the accounting policies employed for the financial statements as of December 31, 2016 remained unchanged from the previous year.

The balance sheet is prepared in accordance with the system of classification set forth in § 266 of the German Commercial Code (HGB).

The profit & loss account is prepared in accordance with the nature of expense method outlined under § 275 (2) of the German Commercial Code (HGB), supplemented by § 277 (3) of the German Commercial Code (HGB) for income from profit and loss transfer agreements.

Pursuant to § 256a of the German Commercial Code (HGB), assets and liabilities held in foreign currency are converted at the average spot exchange rate on the balance sheet date.

A corporation and trade-tax entity is in place between MLP AG (dominant enterprise) on the one hand and MLP Finanzdienstleistungen AG, Wiesloch, TPC GmbH, Hamburg, ZSH GmbH Finanzdienstleistungen, Heidelberg, FERI AG, Bad Homburg v. d. Höhe, FERI Trust GmbH, Bad Homburg v. d. Höhe, FERREAL AG, Bad Homburg v. d. Höhe, and Schwarzer Familienholding GmbH, Kiel, on the other. Tax expenses, insofar as they fall upon the consolidated tax group in the time period, are therefore only determined and disclosed at the level of the dominant enterprise. Taxes that fall in time periods prior to the existence of the consolidated tax group are disclosed at the level of the respective company. No tax allocations are made.

The values entered in the tables are generally given in thousands of euros (€'000). Any deviation from this style is noted directly in the relevant tables. 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.

Disclosure of the accounting policies for individual balance sheet items

In preparing the financial statements, the following accounting policies were essentially applied:

Tangible fixed assets are stated at historical cost less amortisation charges or at low fair value.

In addition to incidental acquisition costs, acquisition costs include the portion of sales tax incurred on additions and invoiced but not eligible for input tax deduction.

In line with the anticipated or average useful lives, assets are written down on a straight-line basis in accordance with § 253 of the German Commercial Code (HGB).

Write-downs of additions to fixed assets are performed on a pro rata temporis basis.

Low-value assets up to an individual net value of € 150 are recognised as expenses to the full amount in the year they were acquired. For reasons of simplification, the collective item method is also applied in the trade balance sheet for assets with an individual net value of between € 150 and € 1,000. The collective item is recorded at a flat-rate of 20 % p. a. in the year of initial recognition, amortised over the four subsequent years and then ultimately recognised as a disposal following complete amortisation.

Advance payments for tangible fixed assets and intangible assets are recognised in the balance sheet at the level of the advance payments. Borrowing costs are not capitalised. The write-down of these assets starts with their completion or when they are ready for operational use.

Shares in affiliated companies are valued at their cost of acquisition or, in the case of an anticipated permanent impairment, the lower fair value.

Receivables and other assets are stated at face value or at the present value. Risk-carrying items are impaired where required.

The cash on hand and bank deposits are stated at face value.

Pursuant to § 246 (2) Sentence 2 of the German Commercial Code (HGB), the excess of plan assets over pension liabilities results from the netting of pension obligations with assets that

serve exclusively to fulfil pension obligations and that are exempt from attachment by all other creditors. Assets of this nature represent plan assets in the sense of § 246 (2) Sentence 2 of the German Commercial Code (HGB). The assets represent reinsurance receivables for pension obligations. Pursuant to § 253 (1) Sentence 4 of the German Commercial Code (HGB), plan assets are measured at fair value. The fair value of a reinsurance receivable is made up of the actuarial reserves of the insurance contract plus any surplus arising from premium refunds (so-called irrevocably allocated surplus-sharing). The income from the change in fund assets reported by the insurance company is recognised in the income statement. Premium payments for the reinsurance policy, as well as benefit payments from the reinsurance policy are treated as transactions with no effect on the operating result (asset swap).

Since the Accounting Law Reform Act (BilMoG) has been in effect, provisions for pensions and similar obligations pursuant to § 253 (1) Sentence 2 of the German Commercial Code (HGB) are calculated on the basis of the settlement value required using prudent business judgement. Utilising the option pursuant to § 67 (1) Sentence 1 of the Introductory Law to the German Commercial Code (EGHGB), the allocated value resulting from this change in provision accounting principles is distributed evenly over the maximum period of 15 years. In contrast to the previous year, however, the allocated value of the financial year 2016 was disclosed as a separate item under other operating expenses as "Expenses pursuant to Art. 67 (1) Sentence 1 of the Introductory Law to the German Commercial Code (EGHGB)".

The necessary settlement value for pension obligations is calculated based on biometric probabilities (Heubeck 2005 G mortality charts). Anticipated future rises in pension payments are taken into account for the measurement of the provision. Due to the structure of the benefit obligations, pay rises have not been taken into account for the measurement. For former employees with vested pension rights or, upon commencement of pension payments, the present value of future pension benefits is applied. With active members of the pension scheme, the entry age normal method is used. This is a projected unit credit method. The going-concern value results from the difference between the present value of future pension benefits at the end of the financial year and the present value of the constant annual premiums for the respective pension recipients prior to termination of the employment relationship. Applying § 253 (2) Sentence 2 of the German Commercial Code (HGB), the average market interest rate over the last ten financial years (until 2015 seven financial years), as published by the German Bundesbank, for an assumed term remaining to maturity of 15 years is used as the assumed interest rate. Pursuant to § 253 (6) Sentence 2 of the German Commercial Code (HGB), the difference between the provision recognised in accordance with the average market interest rate over the last ten financial years and the provision recognised in accordance with the average market interest rate over the last seven financial years is subject to a distribution restriction. Profits may only be distributed if the freely available provisions remaining after the profit distribution plus any profit brought forward and less any loss brought forward at least equal the difference determined in the sense of § 253 (6) Sentence 1 of the German Commercial Code (HGB).

Reinsurance policies have been concluded to cover a portion of the defined benefit plans. These reinsurance policies represent plan assets in the sense of § 246 (2) Sentence 2 of the German Commercial Code (HGB) and are netted against the corresponding pension provisions. Insofar as

the respective plan assets exceed the pension provision in question, the surplus of assets is disclosed under the balance sheet item "Excess of plan assets over pension liabilities". Expenses and income from the interest expenses/discounting of pension obligations to be disclosed in the finance cost and from the plan assets to be offset pursuant to § 246 (2) Sentence 2 of the German Commercial Code (HGB) are recorded in the income statement accordingly. Effects on income resulting from the change in the discount rate are recognised in the operating result.

Tax reserves and other provisions take into account all uncertain liabilities and impending losses from pending transactions. The provisions are carried at the amount that is deemed appropriate according to prudent business judgement. Depending on their time remaining to maturity other provisions are discounted using the average market interest rate over the last seven financial years, as published by the German Bundesbank.

Deferred taxes are determined using the balance sheet liability method (temporary concept). This requires examination of the differences in book values between the commercial carrying amounts of assets, liabilities and accrued and deferred items and their tax carrying amounts to determine temporary and quasi-permanent differences.

The combined taxation rate of 29.36 % (previous year: 29.19 %) was applied for the measurement of deferred taxes. Deferred tax liabilities from the excess of plan assets over pension liabilities and from pension provisions are more than compensated by deferred tax assets on reinsured assets. Further deferred tax assets result from the different levels of amortisation of land, leasehold rights and buildings, as well as differences in the way provisions are measured. Exercising the option as provided by § 274 (1) Sentence 2 of the German Commercial Code (HGB), the surplus in deferred tax assets arising after netting is not recognised in the balance sheet.

Notes to the profit & loss account

[1] Revenue

Revenue generated in the financial year amounted to € 5,669 thsd and was recognised as per the new definition of § 277 (1) of the German Commercial Code (HGB) in the version as defined in the German Accounting Directive Implementation Act (BilRUG). They include the rental income in connection with letting the administration building in Wiesloch to MLP Finanzdienstleistungen AG, Wiesloch. Applying § 277 (1) of the German Commercial Code (HGB) in the version as defined in the German Accounting Directive Implementation Act (BilRUG) would have resulted in revenue for the previous year of € 6,640 thsd.

[2] Other operating income

All figures in €'000

	2016	2015
Gains from the disposal of assets	3,928	1
Credits from legal proceedings	3,600	-
Incidental costs (previous year: rental income)	3,083	9,336
Group allocations	772	771
Income from the reversal of provisions	619	720
Other	334	168
	12,336	10,995

Incidentals costs essentially comprise incidental cost in connection with letting the administration building to MLP Finanzdienstleistungen AG in Wiesloch. The gains from the disposal of fixed assets result from the sale of the "Forum 7" building in Heidelberg. Group allocations comprise costs passed on to MLP Finanzdienstleistungen AG, Wiesloch.

[3] Personnel expenses

All figures in €'000

	2016	2015
Salaries and wages	3,203	3,357
Social security contributions	89	94
Expenses for old-age provision	706	2,992
	3,997	6,443

The item of Salaries and wages includes the fixed and variable portion of employee remuneration. Old-age provision expenses are mainly attributable to pension commitments. Please refer to Note 13 and 19 for further details.

Determined pursuant to § 267 (5) of the German Commercial Code (HGB), the average number of full-time employees for the financial year 2016 was seven employees (previous year: seven employees). In the previous year the figure included two members of management staff.

[4] Depreciation/amortisation

All figures in €'000

	2016	2015
Fixed assets	3,749	3,808

The development of fixed assets is disclosed in Note 8.

[5] Other operating expenses

All figures in €'000

	2016	2015
Consultancy	2,415	1,313
Administration operations	1,607	1,443
Group allocations	1,214	1,231
Maintenance	1,075	1,292
Third party services	800	766
Supervisory Board remuneration	609	602
Insurance	579	585
Premiums and fees	444	428
Other personnel costs	432	400
Expenses pursuant to § 67 (1) Sentence 1 of the German Commercial Code (HGB)	231	-
IT operations	190	381
Write-downs of other receivables	13	137
Other	960	1,109
	10,571	9,687

The item "Administration operations" comprises expenses for operating the administration buildings, as well as telephone and office costs. Consulting expenses include general consulting costs and legal expenses. Group allocations comprise costs for services performed by MLP Finanzdienstleistungen AG, Wiesloch within the scope of outsourcing operating functions. The expenses pursuant to § 67 (1) Sentence 1 of the German Commercial Code (HGB) (increase in pension provisions) were disclosed as extraordinary expenses in the previous years.

[6] Finance cost

Other interest and similar income essentially concern fixed-term deposits of € 41 thsd (previous year: € 130 thsd) and interest income from tax refunds totalling € 144 thsd (previous year: € 146 thsd). This item includes negative interest of € 25 thsd. The amounts included from affiliated companies essentially come from the return on clearing accounts.

At € 698 thsd, interest and similar expenses are attributable to costs in connection with interest on provisions, € 628 thsd thereof (previous year: € 655 thsd) are interest charges for pension obligation provisions.

As per the profit and loss transfer agreement concluded in 2011 between MLP AG and FERI AG, a profit of € 14,092 thsd (previous year: € 10,276 thsd) is to be transferred by MLP Finanzdienstleistungen AG. Based on the control and profit transfer agreement concluded between MLP AG and Schwarzer Familienholding GmbH in 2016, Schwarzer Familienholding GmbH is required to transfer profit of € 2,701 thsd for the past financial year. As per the profit and loss transfer agreement in place between MLP AG and MLP Finanzdienstleistungen AG, a profit of € 6,775 thsd (previous year: € 26,025 thsd) is to be transferred by MLP Finanzdienstleistungen AG.

[7] Income tax expenses

For the current financial year, € 2,044 thsd are attributable to corporation tax expenses (previous year: € 3,564 thsd) and € 2,021 thsd are attributable to trade tax expenses (previous year: € 3,275 thsd).

As of December 31, 2016, MLP established a provision of € 2.5 million for anticipated retrospective tax payments arising from a tax audit by the fiscal authorities.

In two further disputed cases, MLP anticipates being able to assert its legal position based on the expert's reports available. In this respect, MLP has recognised an asset for the retrospective tax payment made.

Notes to the balance sheet

[8] Intangible assets and fixed assets

Procurement and manufacturing costs

All figures in €'000

	Jan. 1, 2016	Additions	Disposals	Transfers	Dec. 31, 2016
Intangible assets					
Purchased concessions, industrial property rights and similar rights and assets, incl. licences on such rights and assets	27	-	-	-	27
	27				27
I. Fixed assets					
1. Land, leasehold rights and buildings including buildings on third-party land	90,062	-	22,945	-	67,117
2. Other fixtures, fittings and office equipment	20,948	344	3,146	-	18,146
	111,010	344	26,091	-	85,263
	111,037	344	26,091	-	85,290

Accumulated depreciation/amortisation

All figures in €'000

	Jan. 1, 2016	Additions	Disposals	Transfers	Dec. 31, 2016
I. Intangible assets					
Purchased concessions, industrial property rights and similar rights and assets, incl. licences on such rights and assets	27			-	27
	27			-	27
II. Fixed assets					
1. Land, leasehold rights and buildings including buildings on third-party land	50,896	3,167	20,729	-	33,335
2. Other fixtures, fittings and office equipment	18,053	581	3,020	-	15,614
	68,949	3,749	23,749	-	48,949
	68,976	3,749	23,749	-	48,976

Carrying amounts

All figures in €'000

	Dec. 31, 2016	Dec. 31, 2015
I. Intangible assets		
Purchased concessions, industrial property rights and similar rights and assets, incl. licences on such rights and assets	-	-
	-	-
II. Fixed assets		
1. Land, leasehold rights and buildings including buildings on third-party land	33,782	39,165
2. Other fixtures, fittings and office equipment	2,532	2,895
	36,314	42,061
	36,314	42,061

Assets are written down on a straight-line basis over the following time periods:

Useful life of fixed assets	2016	2015
Land, leasehold rights and buildings including buildings on third-party land		
Administration buildings	25-33 years	25-33 years
Land improvements	15-25 years	15-25 years
Other fixtures, fittings and office equipment		
Furniture and fittings	10-25 years	10-25 years
IT hardware, IT cabling	3-13 years	3-13 years
Office equipment, office machines	8, 10-13, 20 years	8, 10-13, 20 years
Cars	6 years	-

[9] Financial assets

Procurement and manufacturing costs

All figures in €'000

	Jan. 1, 2016	Additions	Disposals	Dec. 31, 2016
III. Financial assets				
1. Shares in affiliated companies	249,021	-	-	249,021
2. Other loans	-	10,000	-	10,000
	249,021	10,000	-	259,021

Accumulated depreciation/amortisation

All figures in €'000

	Jan. 1, 2016	Additions	Disposals	Dec. 31, 2016
III. Financial assets				
1. Shares in affiliated companies	984	-	-	984
2. Other loans	-	-	-	-
	984	-	-	984

Carrying amounts

All figures in €'000

	Dec. 31, 2016	Dec. 31, 2015
III. Financial assets		
1. Shares in affiliated companies	248,038	248,038
2. Other loans	10,000	-
	258,038	248,038

Please refer to Note 31 for details on shares in affiliated companies. Other loans refer to a promissory note bond.

[10] Receivables from affiliated companies

This item is largely made up of receivables from MLP Finanzdienstleistungen AG, FERI AG and Schweizer Familienholding GmbH in connection with the profit and loss transfer agreements in place between these companies and MLP AG. Further details can be found in Note 6.

[11] Other assets

Other assets do not contain any items with more than one year remaining to maturity (previous year: € 628 thsd). The item is made up of income tax receivables/refund claims from advance tax payments for the current financial year and for years not yet assessed of € 12,090 thsd (previous year: € 14,668 thsd). These include the corporation tax credit of € 628 thsd (previous year: € 1,258 thsd), which had to be capitalised in 2006 at a present value of € 5,020 thsd due to legal requirements. The change is attributable to the repayment of the credit balance, which

is spread evenly over 10 years and was started in 2008. The remaining balance is discounted annually using a no-risk interest rate suitable to the deadline.

[12] Cash on hand and on deposit with the Deutsche Bundesbank, bank deposits and cheques

All figures in €'000

	Dec. 31, 2016	Dec. 31, 2015
Cash on hand, current account credit balance	24,713	11,220
Fixed-term deposits	55,000	52,000
	79,713	63,220

The current account credit balance and fixed-term deposits are held at domestic (German) credit institutions.

[13] Excess of plan assets over pension liabilities

The netting of pension provisions with pledged plan assets per eligible recipient led to an excess of plan assets over pension liabilities of € 2,740 thsd (previous year: € 1,674 thsd).

Notes on offsetting transactions pursuant to § 246 (2) Sentence 2 of the German Commercial Code (HGB):

All figures in €'000	Dec. 31, 2016	Dec. 31, 2015
Settlement amount of offset liabilities	8,617	8,304
Acquisition costs, historical costs of assets	11,356	9,979
Fair value of assets	11,356	9,979
Offset expenses	344	324
Offset income	178	151

The offset expenses contain expenses from the accrued interest on pension obligations. The offset income contains income from the change in plan assets of reinsurance policies. Please refer to Note 19 for further details on measurement parameters of the settlement amount of offset liabilities.

[14] Share capital

The share capital of MLP AG comprises 109,334,686 (December 31, 2015: 109,334,686) no-par-value shares.

Authorised capital

Due to partial utilisation and the amendment resolution from July 27, 2015: A resolution passed by the Annual General Meeting on June 5, 2014 authorised the Executive Board, with the consent of the Supervisory Board, to increase the company's share capital by issuing new ordinary bearer shares on one or more occasions by up to € 20,543,052 in exchange for cash or

non-cash contributions up to June 5, 2019. This resolution replaces the resolution approved at the Annual General Meeting on May 20, 2010.

[15] Treasury stock

The Annual General Meeting on June 6, 2013 authorised the Executive Board to buy back own shares on one or more occasions with a pro rata amount of capital stock represented by such shares of up to € 10,787,773 until June 5, 2018. So far no use has yet been made of this authorisation.

[16] Capital reserves

Capital reserves are established pursuant to § 272 (2) of the German Commercial Code (HGB) in compliance with § 150 of the German Stock Corporation Act (AktG) and remain unchanged at € 139,068,483.70 as of December 31, 2016.

[17] Retained earnings

Other retained earnings

Other retained earnings have changed as follows:

All figures in €'000

	2016	2015
As of January 1	120,504	120,504
Transfer from net profit	2,440	-
Withdrawal for dividend payout	-	-
As of December 31	122,944	120,504

[18] Unappropriated profit

Unappropriated profit displayed the following development:

All figures in €'000

	2016	2015
Unappropriated profit as of January 1	15,569	18,339
Dividend payout	-13,120	-18,339
Withdrawal from retained earnings	-	-
Transfer to retained earnings	-2,440	-
Net profit	18,219	15,569
Unappropriated profit as of December 31	18,228	15,569

Profit distribution restriction as per § 268 (8) of the German Commercial Code (HGB)

The acquisition costs of the offset assets in the sense of § 246 (2) Sentence 2 of the German Commercial Code (HGB) correspond to the fair value. The assets represent pledged reinsurance policies. Internally generated intangible assets and deferred tax assets are not capitalised, so there are no potential profits restricted for distribution.

Profit distribution restriction as per § 253 (6) sentence 2 of the German Commercial Code (HGB)

Pursuant to § 253 (6) of the German Commercial Code (HGB), the retained earnings of € 2,615 thsd cannot be used for dividend payouts.

[19] Provisions

The provisions for pensions and similar obligations are € 10,760 thsd (previous year: € 10,646 thsd). The measurement of pension provisions was based on the following parameters:

	Dec. 31, 2016	Dec. 31, 2015
Assumed interest rate (average over the last 10 years)	4.00 %	-
Assumed interest rate (average over the last 7 years)	3.24 %	3.89 %
Anticipated rises in pension	1.0 % or 2.50 %	1.0 % or 2.50 %

Subject to the structure of the benefit obligations, the anticipated rises in pensions were derived from the development of the consumer price index and the collective bargaining agreements in the private insurance sector.

The difference between the provision recognised in accordance with the average market interest rate over the last ten financial years and the provision recognised in accordance with the average market interest rate over the last seven financial years is € 2,615 thsd.

Existing plan assets in the form of reinsurance policies are offset against the affected pension obligations pursuant to § 246 (2) Sentence 2 of the German Commercial Code (HGB).

The pension provisions not disclosed due to exercising the option pursuant to § 67 (1) Sentence 1 of the Introductory Law to the German Commercial Code (EGHGB) are € 1,849 thsd as of December 31, 2016 (previous year: € 2,080 thsd).

In the last financial year, the company recognised tax provisions totalling € 2,511 thsd (previous year: € 333 thsd), of which € 1,200 thsd (previous year: € 0 thsd) is attributable to corporation tax and € 1,311 thsd (previous year: € 333 thsd) to trade tax.

Other provisions essentially comprise provisions concerning human resources of € 2,776 thsd (previous year: € 2,940 thsd), amongst other things for variable remuneration, redundancy payments and holiday entitlements, as well as provisions for outstanding invoices of € 404 thsd (previous year: € 289 thsd).

[20] Liabilities

Composition of liabilities as of December 31, 2016

All figures in €'000

Liability type	Total amount	With a remaining term of...			Of which are collateralised liabilities	Type of collateral
		up to 1 year	1 to 5 years	more than 5 years		
Trade accounts payable	581	581	-	-	0	-
Liabilities due to affiliated companies	2,120	2,120	-	-	0	-
Other liabilities	876	876	-	-	0	-
	3,577	3,577	-	-	0	-

Composition of liabilities as of December 31, 2015

All figures in €'000

Liability type	Total amount	With a remaining term of...			Of which are collateralised liabilities	Type of collateral
		up to 1 year	1 to 5 years	more than 5 years		
Trade accounts payable	299	299	-	-	0	-
Liabilities due to affiliated companies	2,103	2,103	-	-	0	-
Other liabilities	618	618	-	-	0	-
	3,020	3,020	-	-	0	-

Customary retentions of title are in place for trade accounts payable. Receivables from and liabilities due to affiliated companies are summed for each company and stated in a single figure as receivables or liabilities. The liabilities are essentially held against MLP Consult GmbH in Wiesloch.

The item "Other liabilities" essentially comprises VAT liabilities and liabilities from bonus payments for members of the Executive Board.

Miscellaneous information

[21] Corporate agreements

On April 18, 2007 and in accordance with § 291 of the German Stock Corporation Act (AktG) a profit and loss transfer agreement was concluded between MLP AG and MLP Finanzdienstleistungen AG. The consent of the Annual General Meetings of MLP AG and MLP Finanzdienstleistungen AG was given on May 31, 2007 and May 2, 2007. The entry in the commercial register responsible for MLP Finanzdienstleistungen AG took place on June 13, 2007.

On April 19, 2011 a profit/loss transfer agreement in line with § 291 of the German Stock Corporation Act (AktG) was concluded between MLP AG and FERI AG. The consent of the Annual General Meetings of MLP AG and FERI AG was given on June 10, 2011 and on June 8, 2011. The entry in the commercial register responsible for FERI AG took place on July 18, 2011.

On April 16, 2012 a control agreement in line with § 293 of the German Stock Corporation Act (AktG) was concluded between MLP AG and FERI AG. The consent of the Annual General Meetings of MLP AG and FERI AG was granted on June 26, 2012 and on May 16, 2012 respectively. The entry in the commercial register responsible for FERI AG took place on July 30, 2012.

On April 11, 2016 a control and profit/loss transfer agreement in line with § 293 of the German Stock Corporation Act (AktG) was concluded between MLP AG and Schwarzer Familienholding GmbH. The consent of the Annual General Meeting of MLP AG and the shareholders' meeting of Schwarzer Familienholding GmbH was granted on June 16, 2016 and on April 29, 2016 respectively. The entry in the commercial register responsible for Schwarzer Familienholding AG was made on July 15, 2016.

[22] Outsourcing of operational functions

Due to cost considerations, MLP AG outsourced certain operational functions to MLP Finanzdienstleistungen AG. This outsourcing affects services in the fields of risk management, IT, controlling, financial accounting, accounting, legal affairs, taxes, human resources, purchasing and building administration. The other risks that can occur when employing a workforce, such as human error or personnel bottlenecks, are taken into account.

[23] Off-balance-sheet transactions

Off-balance-sheet transactions

MLP AG has signed operating leasing agreements for the maintenance of their buildings and vehicles. The term of these lease agreements ranges from one to four years. The following obligations result from these agreements:

All figures in €'000

	Dec. 31, 2016			
	2017	2018	> 2019	Total
Maintenance contracts	2.847	1.203	754	4.804
Vehicle leasing	49	24	6	79
	2,896	1,227	760	4,883

	Dec. 31, 2015			
	2016	2017	> 2018	Total
Maintenance contracts	3,284	2,326	1,826	7,436
Vehicle leasing	55	48	29	132
	3,339	2,374	1,855	7,568

Other financial liabilities not recognised in the balance sheet

Other financial commitments were as follows:

All figures in €'000

	Dec. 31, 2016			
	2017	2018	> 2019	Total
Purchase commitment	536	-	-	536
Other rents	13	13	12	38
	549	13	12	574

	Dec. 31, 2015			
	2016	2017	> 2018	Total
Purchase commitment	335	-	-	335
Other rents	13	13	24	50
	348	13	24	385

[24] Executive bodies of MLP AG

Executive Board	Mandates in other statutory Supervisory Boards of companies based in Germany	Memberships in comparable domestic and foreign control bodies of commercial enterprises
<p><u>Dr. Uwe Schroeder-Wildberg, Heidelberg</u> <u>Chairman</u> Responsible for Strategy, Communication, Policy/Investor Relations, Marketing, Sales</p>	<ul style="list-style-type: none"> • FERI AG, Bad Homburg v. d. H. (Chairman) 	<p>-</p>
<p><u>Reinhard Loose, Berlin</u> Responsible for Compliance, Controlling, IT, Group Accounting, Risk Management, Internal Audit, Legal, Human Resources</p>	<ul style="list-style-type: none"> • DOMCURA AG, Kiel • F&F Makler AG, Hamburg (until August 2016) • Nordische Informations-Technologie AG, Kiel (until September 2016) 	<p>-</p>
<p><u>Manfred Bauer, Leimen</u> responsible for Product Management</p>	<ul style="list-style-type: none"> • DOMCURA AG, Kiel (Chairman) • F&F Makler AG, Hamburg (Chairman) (until August 2016) • Nordische Informations-Technologie AG, Kiel (Chairman) (until September 2016) 	<ul style="list-style-type: none"> • MLP Hyp GmbH, Wiesloch (Supervisory Board)

Supervisory Board	Mandates in other statutory Supervisory Boards of companies based in Germany	Memberships in comparable domestic and foreign control bodies of commercial enterprises
<p><u>Dr. Peter Lütke-Bornefeld, Everswinkel</u> Chairman Formerly chairman of the Executive Board at General Reinsurance AG, Cologne</p>	<ul style="list-style-type: none"> • VPV Lebensversicherungs-AG, Stuttgart (until June 2016) • VHV Vereinigte Hannoversche Versicherung a. G., Hannover (Chairman) • VHV Holding AG, Hanover (Chairman) • VHV Allgemeine Versicherung AG, Hanover • Hannoversche Direktversicherung AG, Hanover (until June 2016) • Hannoversche Lebensversicherung AG, Hanover • MLP Finanzdienstleistungen AG, Wiesloch (Chairman) 	<ul style="list-style-type: none"> • ITAS Mutua, Trento, Italy (Member of the Governing Board)
<p><u>Dr. h. c. Manfred Lautenschläger, Gaiberg</u> Vice Chairman Formerly Chairman of the Executive Board</p>	<p>-</p>	<ul style="list-style-type: none"> • University Hospital Heidelberg, Heidelberg (Supervisory Board)
<p><u>Dr. Claus-Michael Dill, Murnau</u> Formerly Chairman of the Executive Board at AXA Konzern AG, Cologne</p>	<ul style="list-style-type: none"> • HUK-COBURG Holding AG, Coburg • HUK-COBURG Haftpflicht-Unterstützungs-Kasse kraftfahrender Beamter Deutschlands a.G., Coburg • HUK-COBURG-Allgemeine Versicherung AG, Coburg • XL Catlin Europe SE, Cologne (until December 2016) 	<ul style="list-style-type: none"> • XL Catlin Re Switzerland AG, Zurich, Switzerland (Member of the Governing Board) • XL Group plc, Dublin, Ireland (Non-Executive Director) (until June 2016) • XL Group Ltd., Hamilton/Bermuda (Non-Executive Director) (since July 2016) • XL Europe Re SE, Dublin, Ireland (Non-Executive Director) (since February 2016)
<p><u>Tina Müller, Frankfurt</u> Chief Marketing Officer and Managing Director at Opel Group GmbH, Rüsselsheim</p>	<ul style="list-style-type: none"> • STADA Arzneimittel AG, Bad Vilbel (since August 2016) 	<p>-</p>

<p><u>Burkhard Schlingermann, Dusseldorf</u> <u>Employees' representative</u> Employee of MLP Finanzdienstleistungen AG, Wiesloch Member of the works council of MLP AG and MLP Finanzdienstleistungen AG, Wiesloch</p>	<ul style="list-style-type: none"> MLP Finanzdienstleistungen AG, Wiesloch (employees' representative) 	<p>-</p>
<p><u>Alexander Beer, Karlsruhe</u> <u>Employees' representative</u> Employee of MLP Finanzdienstleistungen AG, Wiesloch</p>	<p>-</p>	<p>-</p>

[25] Emoluments paid to members of the Supervisory Board and Executive Board

For the detailed structure of the remuneration system and the remuneration of the Executive Board and Supervisory Board, please refer to the remuneration report. The remuneration report is part of the joint management report.

Executive Board

The total remuneration for members of the Executive Board was € 2,443 thsd (previous year: € 2,029 thsd). of which € 1,344 thsd (previous year: € 1,344 thsd) is attributable to the fixed portion of remuneration and € 1,099 thsd (previous year: € 685 thsd). In the financial year, expenses of € 290 thsd (previous year: € 290 thsd) were accrued for occupational pension provision.

In the financial year no members retired from the Executive Board. As of December 31, 2016 pension provisions of € 10,760 thsd (previous year: 10,646 thsd) were in place for former members of the Executive Board as well as an excess of plan assets over pension liabilities of € 2,275 thsd (previous year: € 1,345 thsd). The provision for former members of the Executive Board, which is not yet recognised due to exercising the option pursuant to Article 67 (1) Sentence 1 of the Introductory Law to the German Commercial Code (EGHGB), is € 1,662 thsd (previous year: € 1,869 thsd).

Supervisory Board

The members of the Supervisory Board received non-performance-related remuneration of € 500 thsd for their activities in 2016 (previous year: € 494 thsd). In addition, € 17 thsd (previous year: € 17 thsd) was paid as compensation for expenses and training measures.

[26] Guarantees and other commitments

As was the case in the previous year, as of the balance sheet date, MLP AG and MLP Finanzdienstleistungen AG remained jointly and severally liable for the € 20,000 thsd line of credit granted to both companies by several financial institutions. As of December 31, 2016 this line of credit had not yet been drawn on.

Within the scope of § 2a of the German Banking Act (KWG) in conjunction with Art. 7 of the Capital Requirements Regulation (CRR), MLP AG has issued a binding letter of comfort to MLP Finanzdienstleistungen AG, to the effect that it will promptly provide MLP Finanzdienstleistungen AG with equity within the scope of Art. 25 et seq. of the Capital Requirements Regulation (CRR) up to the level required for MLP Finanzdienstleistungen AG at an individual institute level. Based on the current capital adequacy and the current risk situation at MLP Finanzdienstleistungen AG, MLP does not expect this financial guarantee to be exercised.

MLP AG has submitted a declaration of indemnification in accordance with §5 (10) of the statute of the depositor's guarantee fund of the Association of German Banks e.V. (BdB) for MLP Finanzdienstleistungen AG. MLP AG does not currently anticipate any utilisation.

On the balance sheet date, actions are pending due to incorrect disclosures in the capital market information published by the company. This predominantly concerns the years 2000 to 2002. However, MLP firmly believes that the actions will not be successful.

MLP AG is not liable in any situation other than those outlined above.

[27] Shareholders on the balance sheet date

All figures in €'000

	Ordinary shares		Percentage of share capital	
	2016	2015	2016	2015
	Number of shares	Number of shares	%	%
Dr. h. c. Manfred Lautenschläger	25,383,373	25,383,373	23.22	23.22
Other members of the Supervisory Board	190,055	150,055	0.17	0.14
Executive Board	21,254	21,254	0.01	0.01
Other shareholders	83,740,004	83,780,004	76.59	76.63
Total	109,334,686	109,334,686	100.00	100.00

[28] Auditor's fees

Expenses for fees in connection with the services of companies commissioned to perform the annual audit can be found in the corresponding disclosures in the notes to the consolidated financial statements.

[29] Declaration of compliance with the German Corporate Governance Code

The Executive and Supervisory Boards issued a Declaration of Compliance with the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act (AktG) and made it permanently available to the shareholders via its website, www.mlp-ag.com.

[30] Disclosures pursuant to §§ 21 (1), 22 German Securities Trading Act (WpHG)

Mr. Manfred Lautenschläger, Germany, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that his share of the voting rights in MLP AG, Wiesloch, Germany fell below the threshold of 25 % on August 22, 2008, and amounted to 23.38 % (25,205,534 voting rights) on that day. This share comprises 20.98 % of the voting rights (22,618,932 voting rights) of Angelika Lautenschläger Beteiligungen Verwaltungs GmbH attributable to him in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

Angelika Lautenschläger Beteiligungen Verwaltungs GmbH, Gaiberg, Germany, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 15 % and 20 % on April 21, 2008, and was 23.08 % (22,618,932 voting rights) on that day.

M.L. Stiftung gGmbH, Gaiberg, Germany, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the threshold of 3 % on December 7, 2007, and amounted to 4.14 % (4,500,000 voting rights) on that day. This share comprises 4.14 % (4,500,000 voting rights) of Manfred Lautenschläger Stiftung gGmbH attributable to it in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

Mrs Angelika Lautenschläger, Germany, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that her share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on December 7, 2007, and amounted to 5.97 % (6,500,000 voting rights) on that day. This share comprises 4.14 % (4,500,000 voting rights) of M.L. Stiftung gGmbH attributable to her in line with §§ 22 (1) Sentence 1 No. 1, and 22 (1) Sentence 2 of the German Securities Trading Act (WpHG). 4.14 % (4,500,000 voting rights) of the shares held by Manfred Lautenschläger Stiftung gGmbH are attributable to M.L. Stiftung gGmbH in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

Barmenia Krankenversicherung a. G., Wuppertal, Germany informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that on December 21, 2009 its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % and amounted to 6.67 % (corresponding to 7,197,664 voting rights) on that date. 0.27 % of the shares (corresponding to 290,000 voting rights) are attributable to Barmenia Krankenversicherung a. G. in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

Berenberg Bank, Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, corrected its voting rights announcement from November 24, 2009 and informed us that its share of the voting rights in MLP AG, Wiesloch, Germany is 0 %.

Allianz SE, Munich, Germany, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, exceeded the thresholds of 3 % and 5 % on August 22, 2008 and amounted to 6.27 % (corresponding to 6,761,893 voting rights) on that day. The voting rights were attributable to it in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights attributable to it were held by the following companies it controls, whose respective share of the voting rights in MLP AG amounted to 3 % or more: Allianz Deutschland AG, Jota Vermögensverwaltungsgesellschaft mbH, Allianz Lebensversicherung AG.

At the same time, Allianz SE informed us of the following in line with §§ 21 (1) in connection with § 24 of the German Securities Trading Act (WpHG): The share of the voting rights held by Allianz Deutschland AG, Munich, Germany, in MLP AG, Wiesloch, Germany, exceeded the thresholds of 3 % and 5 % on August 22, 2008 and amounted to 6.27 % (corresponding to 6,761,893 voting rights). These voting rights are attributable to Allianz Deutschland AG in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights attributable to Allianz Deutschland AG were held by the following companies it controls, whose respective share of the voting rights in MLP AG amounted to 3 % or more: Jota Vermögensverwaltungsgesellschaft mbH, Allianz Lebensversicherung AG.

The share of the voting rights held by Jota Vermögensverwaltungsgesellschaft mbH, Munich, Germany, in MLP AG, Wiesloch, Germany, exceeded the thresholds of 3 % and 5 % on August 22, 2008 and amounted to 6.27 % (corresponding to 6,761,893 voting rights). These voting rights are attributable to Jota Vermögensverwaltungsgesellschaft mbH in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights attributable to Jota Vermögensverwaltungsgesellschaft mbH were held by the following company it controls, whose respective share of the voting rights in MLP AG amounted to 3 % or more: Allianz Lebensversicherung AG.

The share of the voting rights held by Allianz Lebensversicherung AG, Stuttgart, Germany, in MLP AG, Wiesloch, Germany, exceeded the thresholds of 3 % and 5 % on August 22, 2008 and amounted to 6.27 % (corresponding to 6,761,893 voting rights).

HDI Pensionskasse AG, Cologne, Germany informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on October 24, 2014 and now amounts to 9.48 % (corresponding to 10,231,552 voting rights). Of this, 8.98 % (9,692,552 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). 3 % or more of the voting rights are attributable to HDI Lebensversicherung AG in accordance with § 22 (2) of the German Securities Trading Act (WpHG).

Aspecta Lebensversicherung AG, Cologne, Germany informed us in line with §§ 21 (1), 22 (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 8.40 % (corresponding to

9,054,969 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). Aspecta Lebensversicherung AG holds 1.50 % (corresponding to 1,617,000 voting rights) directly.

CiV Lebensversicherung AG, Hilden, Germany informed us in line with §§ 21 (1), 22 (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 9.65 % (corresponding to 10,408,201 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). CiV Lebensversicherung AG holds 0.24 % (corresponding to 263,768 voting rights) directly.

neue leben Lebensversicherung AG, Hamburg, Germany informed us in line with §§ 21 (1), 22 (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 9.16 % (corresponding to 9,878,255 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). neue leben Lebensversicherung AG holds 0.74 % (corresponding to 793,714 voting rights) directly.

neue leben Holding AG, Hamburg, Germany informed us in line with §§ 21 (1), 22 (1) Sentence 1 No. 1 and (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 9.16 % (corresponding to 9,878,255 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG) and a further 0.74 % (corresponding to 793,714 voting rights) are attributable to it in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

Proactiv Holding AG, Hilden, Germany informed us in line with §§ 21 (1), 22 (1) Sentence 1 No. 1 and (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 8.67 % (corresponding to 9,350,719 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG) and a further 1.22 % (corresponding to 1,321,250 voting rights) are attributable to it in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

HDI-Gerling Industrie Versicherung AG, Hanover, Germany informed us in line with §§ 21 (1), 22 (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 9.49 % (corresponding to 10,231,552 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). HDI-Gerling Industrie Versicherung AG holds 0.41 % (corresponding to 440,417 voting rights) directly.

HDI-Gerling Firmen und Privat Versicherung AG, Hanover, Germany informed us in line with §§ 21 (1), 22 (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 9.49 % (corresponding to 10,231,552 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). HDI-Gerling Firmen und Privat Versicherung AG holds 0.41 % (corresponding to 440,417 voting rights) directly.

HDI Direkt Versicherung AG, Hanover, Germany informed us in line with §§ 21 (1), 22 (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 9.49 % (corresponding to 10,231,553 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). HDI Direkt Versicherung AG holds 0.41 % (corresponding to 440,416 voting rights) directly.

Talanx Beteiligungs-GmbH & Co. KG, Hanover, Germany informed us in line with §§ 21 (1), 22 (1) Sentence 1 No. 2 and (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 8.67 % (corresponding to 9,350,719 voting rights) is attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG) and a further 1.22 % (corresponding to 1,321,250 voting rights) are attributable to it in line with § 22 (1) Sentence 1 No. 2 of the German Securities Trading Act (WpHG).

Hannover Beteiligungsgesellschaft mbH, Hanover, Germany informed us in line with §§ 21 (1), 22 (1) Sentence 1 No. 2 in connection with Sentence 2 and (2) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on May 14, 2009 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 8.67 % (corresponding to 9,350,719 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG) and a further 1.22 % (corresponding to 1,321,250 voting rights) are attributable to it in line with § 22 (1) Sentence 1 No. 2 in connection with Sentence 2 of the German Securities Trading Act (WpHG).

Gerling Beteiligungs-Gesellschaft mit beschränkter Haftung, Cologne, Germany informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on October 22, 2010 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this sum, 2.45 % (corresponding to 2,642,500 voting rights) is attributable to the company in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG) via Talanx Beteiligungs-GmbH & Co. KG and 7.44 % (corresponding to 8,029,469 voting rights) is attributable to the company in line with § 22 (1) of the German Securities Trading Act (WpHG).

Talanx Deutschland Bancassurance GmbH, Hilden, Germany informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on August 25, 2011 and now

amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this sum, 1.22 % (corresponding to 1,321,250 voting rights) is allocated to the company in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG) and 8.67 % (corresponding to 9,350,719 voting rights) is allocated to the company in line with § 22 (2) of the German Securities Trading Act (WpHG), of which 3 % or more of the shares are attributable via HDI-Gerling Lebensversicherung AG in the sense of allocating additional voting rights in line with § 22 (2) of the German Securities Trading Act (WpHG).

PB Lebensversicherung Aktiengesellschaft, Hilden, Germany informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on October 4, 2011 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this, 9.65 % (10,408,201 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG). 3 % or more of the voting rights are attributable to HDI-Gerling Lebensversicherung AG in accordance with § 22 (2) of the German Securities Trading Act (WpHG).

Talanx Aktiengesellschaft informed us in line with §§ 21, 24 of the German Securities Trading Act (WpHG) that the share of the voting rights of HDI-Gerling Friedrich Wilhelm Rückversicherung Aktiengesellschaft, Cologne, Germany, in MLP AG, Wiesloch, Germany, exceeded the thresholds of 3 % and 5 % on December 31, 2012 and now amounts to 9.89 % (corresponding to 10,671,969 voting rights). Of this 9.40 % (10,144,433 voting rights) are attributable to it in line with § 22 (2) of the German Securities Trading Act (WpHG) and 0.49 % (527,536 voting rights) in line with § 22 (1) No. 1 of the German Securities Trading Act (WpHG). 3 % or more of the voting rights are attributable to HDI Lebensversicherung AG in accordance with § 22 (2) of the German Securities Trading Act (WpHG).

Harris Associates LP, Wilmington, Delaware, USA, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany fell below the threshold of 5 % on February 1, 2016, and amounted to 4.97 % on that date. The voting rights were attributable to Harris Associates LP in line with § 22 (1) Sentence 1 No. 1 of the German Securities Trading Act (WpHG). It is allocated voting rights from the following shareholders, each of whose share of the voting rights in MLP AG is 3 % or more: Harris Associates Investment Trust.

Harris Associates LP, Wilmington, Delaware, USA, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany fell below the threshold of 3 % on February 19, 2016, and amounted to 1.46 % on that date.

Harris Associates Investment Trust, Boston, Massachusetts, USA informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany fell below the threshold of 3 % on February 15, 2016 and amounted to 2.84 % on that day.

FMR LLC, Wilmington, Delaware, USA, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany fell below the threshold of 5 % on March 8, 2016, and amounted to 4.99 % on that date. The voting rights

are attributable to FMR LLC in line with § 22 (1) Sentence 1 No. 6 in connection with Sentence 2 of the German Securities Trading Act (WpHG).

FMR LLC, Wilmington, Delaware, USA, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany fell below the threshold of 5 % on March 16, 2016, and amounted to 4.72 % on that date. The voting rights are attributable to FMR LLC in line with § 22 (1) Sentence 1 No. 6 in connection with Sentence 2 of the German Securities Trading Act (WpHG).

Fidelity Management & Research Company, Boston, Massachusetts, USA, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany fell below the threshold of 5 % on January 2, 2014, and amounted to 4.99 % (5,390,460 voting rights) on that day. The voting rights are attributable to Fidelity Management & Research Company in line with § 22 (1) Sentence 1 No. 6 of the German Securities Trading Act (WpHG).

Franklin Templeton Investment Funds, Luxembourg, Grand-Duchy of Luxembourg, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany fell below the thresholds of 3 % on November 19, 2014, and amounted to 2.9942 % (3,230,092 voting rights) on that day.

Barmenia Beteiligungsgesellschaft mbH informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that the share of the voting rights of Barmenia Beteiligungsgesellschaft mbH, Wuppertal, Germany, in MLP AG, Wiesloch, Germany exceeded the thresholds of 3 % and 5 % on September 8, 2015 and now amounts to 5.49 % (this corresponds to 6,000,000 voting rights). These voting rights are held directly by Barmenia Beteiligungsgesellschaft mbH.

Schroders PLC, London, United Kingdom of Great Britain and Northern Ireland informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, fell below the threshold of 3 % on November 18, 2015, 2015 and amounted to 2.99 % (3,276,831 voting rights) on that day. Of this 3,276,831 (2.99 %) voting rights in line with § 22 (1) Sentence 1 No. 6 in conjunction with Sentence 2 of the German Securities Trading Act (WpHG) held by Schroder International Selection Fund are attributable to Schroders PLC.

Schroder Administration Limited, London, United Kingdom of Great Britain and Northern Ireland informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, fell below the threshold of 3 % on November 18, 2015, and amounted to 2.99 % (3,276,831 voting rights) on that day. Of this 3,276,831 (2.99 %) voting rights in line with § 22 (1) Sentence 1 No. 6 in conjunction with Sentence 2 of the German Securities Trading Act (WpHG) held by Schroder Administration Limited are attributable to Schroders PLC.

Schroder Investment Management Limited, London, United Kingdom of Great Britain and Northern Ireland informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, fell below the threshold of 3 %

on November 18, 2015, and amounted to 2.99 % (3,276,831 voting rights) on that day. Of this 3,276,831 (2.99 %) voting rights are attributable to Schroder Investment Management Limited in line with § 22 (1) Sentence 1 No. 6 of the German Securities Trading Act (WpHG).

Schroder International Holdings Limited, London, United Kingdom of Great Britain and Northern Ireland informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, fell below the threshold of 3 % on November 18, 2015, and amounted to 2.99 % (3,276,831 voting rights) on that day. Of this 3,276,831 (2.99 %) voting rights are attributable to Schroders International Holdings Limited in line with § 22 (1) Sentence 1 No. 6 in conjunction with Sentence 2 of the German Securities Trading Act (WpHG).

Die Schroder International Finance B.V., Amsterdam, Netherlands, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, fell below the threshold of 3 % on November 18, 2015 and amounted to 2.99 % (3,276,831 voting rights) at this time. Of this 3,276,831 (2.99 %) voting rights are attributable to Schroder Finance B.V. in line with § 22 (1) Sentence 1 No. 6 in conjunction with Sentence 2 of the German Securities Trading Act (WpHG).

Schroder Investment Management (Luxembourg) S.A., Senningerberg, Grand-Duchy of Luxembourg, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, fell below the threshold of 3 % on November 18, 2015 and amounted to 2.99 % (3,276,831 voting rights) on that day. Of this 3,276,831 (2.99 %) voting rights are attributable to Schroder Investment Management (Luxembourg) S.A. in line with § 22 (1) Sentence 1 No. 6 of the German Securities Trading Act (WpHG).

Schroder International Selection Fund, Senningerberg, Grand-Duchy of Luxembourg, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany, fell below the threshold of 3 % on November 18, 2015 and amounted to 2.99 % (3,276,831 voting rights) on that day.

Internationale Kapitalanlagegesellschaft mbH, Dusseldorf, Germany, informed us in line with § 21 (1) of the German Securities Trading Act (WpHG) that its share of the voting rights in MLP AG, Wiesloch, Germany exceeded the threshold of 3 % on June 27, and amounted to 3.03 % on that day.

[31] Investments in affiliated companies

The company's shareholdings are as follows as of December 31, 2016:

Direct holdings

Name, registered office	Carrying amount Jan. 1, 2016	Carrying amount Dec. 31, 2016	Share	Shareholders' equity as of Dec. 31, 2016	Net profit/loss 2016
	€'000	€'000	%	€'000	€'000
MLP Finanzdienstleistungen AG, Wiesloch ¹	109,005	109,005	100.0	109,548	6,775
MLP Consult GmbH, Wiesloch	2,350	2,350	100.0	2,320	-8
FERI AG, Bad Homburg ¹	118,082	118,082	100.0	19,862	14,092
Schwarzer Familienholding GmbH, Kiel ¹	18,601	18,601	100.0	2,215	2,701
	248,038	248,038			

¹ A profit and loss transfer agreement is in place. Presentation of the net result for the year before profit transfer.

The sale of FERI EuroRating Services AG to Scope Corporation AG was announced on June 30. The closing date of the transaction was August 1, 2016. FERI EuroRating Services AG was part of the FERI business segment.

In the course of the ongoing focus on the corporate structure in the DOMCURA Group, Ralf W. Barth GmbH and F&F Makler AG were merged into nordias GmbH Versicherungsmakler and Nordische-Informationen-Technologie AG was merged into DOMCURA AG in the financial year.

Indirect holdings

Name	Registered office	Share	Shareholder s' equity as of Dec. 31, 2016	Net profit/los s 2016
		%	€'000	€'000
MLPdialog GmbH (Wholly-owned subsidiary of MLP Finanzdienstleistungen AG)	Wiesloch	100.0	761	222
TPC GmbH ¹ (Wholly-owned subsidiary of MLP Finanzdienstleistungen AG)	Hamburg	100.0	314	64
ZSH GmbH Finanzdienstleistungen ¹ (Wholly-owned subsidiary of MLP Finanzdienstleistungen AG)	Heidelberg	100.0	1.190	718
MLP Hyp GmbH (49.8 % subsidiary of MLP Finanzdienstleistungen AG)	Wiesloch	49.8	6.216	3,216
FERI Trust GmbH ¹ (Wholly-owned subsidiary of FERI AG)	Bad Homburg v. d. H.	100.0	8,386	2,199
FEREAL AG ¹ (Wholly-owned subsidiary of FERI AG)	Bad Homburg v. d. H.	100.0	1,949	22
FERI Trust (Luxembourg) S. A. (Wholly-owned subsidiary of FERI AG)	Luxembourg	100.0	18,242	13,646
CORESIS Management GmbH ² (25 % share held by FERI AG)	Bad Homburg v. d. H.	25.0	366	112
FPE Private Equity Beteiligungs-Treuhand GmbH ² (Wholly-owned subsidiary of FERI Trust GmbH)	Munich	100.0	181	144
FPE Private Equity Koordinations GmbH ² (Wholly-owned subsidiary of FERI Trust GmbH)	Munich	100.0	74	47
FPE Direct Coordination GmbH ² (Wholly-owned subsidiary of FERI Trust GmbH)	Munich	100.0	45	14
FERI Private Equity GmbH & Co. KG ² (Wholly-owned subsidiary of FERI Trust GmbH)	Munich	100.0	36	179
FERI Private Equity Nr. 2 GmbH & Co. KG ² (Wholly-owned subsidiary of FERI Trust GmbH)	Munich	100.0	5	-5
Michel & Cortesi Asset Management AG ^{2,3} (Wholly-owned subsidiary of FERI AG)	Zurich	100.0	715	251
AIF Komplementär GmbH ⁴ (25 % held by FERI AG)	Munich	25.0	3	-21
AIF Register-Treuhand GmbH ⁴ (Wholly-owned subsidiary of FERI AG)	Bad Homburg v. d. H.	100.0	18	-7
DOMCURA AG ¹ (Wholly-owned subsidiary of Schwarzer Familienholding GmbH)	Kiel	100.0	2,380	2,946
NORDVERS GmbH ¹ (Wholly-owned subsidiary of DOMCURA AG)	Kiel	100.0	26	-1,073
nordias GmbH Versicherungsmakler ¹ (Wholly-owned subsidiary of Schwarzer Familienholding GmbH)	Kiel	100.0	435	-388
Willy F.O. Köster GmbH ¹ (Wholly-owned subsidiary of nordias GmbH Versicherungsmakler)	Hamburg	100.0	2,025	148
Siebert GmbH Versicherungsmakler ¹ (Wholly-owned subsidiary of nordias GmbH Versicherungsmakler)	Jena/Arnstadt	100.0	26	-185
DIEASS GmbH ¹ (Wholly-owned subsidiary of DOMCURA AG)	Kiel	100.0	26	-9
Portus Assekuranz Vermittlungsgesellschaft mbH ¹ (Wholly-owned subsidiary of DOMCURA AG)	Kiel	100.0	25	-60
Walther Versicherungsmakler GmbH ¹ (Wholly-owned subsidiary of nordias GmbH Versicherungsmakler)	Hamburg	100.0	25	0

¹) A profit and loss transfer agreement is in place. Disclosure of net profit prior to profit transfer.

²) Shareholders' equity and net profit from the annual financial statements 2015.

³) Currency conversion rates as of the balance sheet date: € 1 = CHF 1.07364

⁴) Shareholders' equity and net profit from the annual financial statements 2014.

As of December 31, 2016, neither MLP AG nor the companies shown here possessed any other major holdings requiring disclosure under the provisions of § 285 No. 11 of the German

Commercial Code (HGB). The voting right granted under § 286 (3) Sentence 1 No. 1 of the German Commercial Code (HGB) was exercised.

[32] Proposal for the appropriation of MLP AG's unappropriated profit

Pursuant to § 170 (2) of the German Stock Corporation Act, the Executive Board proposes that the unappropriated profit of € 18,227,617.24 disclosed in the annual financial statements for the year ending on December 31, 2016 be used as follows:

	Dec. 31, 2016	Dec. 31, 2015
	€	€
Distribution to the shareholders	8,746,774.88	13,120,162.32
Transfer to retained earnings	9,480,000.00	2,440,000.00
Profit brought forward	842.36	8,432.12
Unappropriated profit	18,227,617.24	15,568,594.44

[33] Events subsequent to the reporting date

On February 21, 2017 the MLP AG Supervisory Board consented to the change of Group structure passed by the Executive Board. Through a legal corporate separation of MLP Finanzdienstleistungen AG, the regulated banking business will be united in one company and the brokerage and consulting business in the other. Furthermore, the supervisory scope of consolidation will be narrowed down.

For the implementation of the aforementioned measures, the MLP Group anticipates one-off expenses of € 9 million in the financial year 2017. A large proportion of these expenses is expected to arise at MLP Finanzdienstleistungen AG.

It is anticipated that the measures will be implemented in early 2018, assuming final approval is given by the Federal Financial Supervisory Authority (BaFin).

Beyond this there were no appreciable events affecting the Group's net assets, financial position and results of operations.

Wiesloch, February 23, 2017

MLP AG

Executive Board

Dr. Uwe Schroeder-Wildberg

Manfred Bauer

Reinhard Loose

Auditor's Report

We have audited the annual financial statements, comprising the balance sheet, the profit and loss account and the notes to the financial statements, together with the bookkeeping system and its joint management report of the Company and the Group prepared by the MLP AG, Wiesloch, for the business year from January 1, to December 31, 2016. The maintenance of the books and records and the preparation of the annual financial statements and joint management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the joint management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB ["Handelsgesetzbuch": "German Commercial Code] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with [German] principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company and the Group in accordance with [German] principles of proper accounting. The joint management report is consistent with the annual financial statements, is in accordance with statutory requirements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Frankfurt/ Main, March 2, 2017

KPMG AG

Wirtschaftsprüfungsgesellschaft

Dr. Hübner

Hahn

Wirtschaftsprüfer (German Public Auditor) Wirtschaftsprüfer (German Public Auditor)

Responsibility statement

"To the best of our knowledge and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the company, and the joint management report gives a fair view of the performance of the business including business results and the overall position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company."

Wiesloch, February 23, 2017

MLP AG

Executive Board

Dr. Uwe Schroeder-Wildberg

Manfred Bauer

Reinhard Loose

Financial calendar 2017

FEBRUARY

February 23, 2017

Publication of the results for the financial year 2016.

Annual press conference and analyst conference in Frankfurt.

MARCH

March 23, 2017

Publication of the Annual Report for the financial year 2016.

MAY

May 11, 2017

Publication of the results for the first quarter 2017.

JUNE

June 29, 2017

Annual General Meeting (AGM) of MLP AG in Wiesloch.

MLP AG holds its AGM at the Palatin Congress Center in Wiesloch.

AUGUST

August 10, 2017

Publication of the results for the first half-year and the second quarter 2017.

NOVEMBER

November 14, 2017

Publication of the results for the first nine months and the third quarter 2017.

More information at www.mlp-ag.com, Investor Relations, Calendar

Imprint

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