

## MLP Executive Board proposes dividend increase to 17 cents

- Preliminary figures confirmed: Total revenue up 6 percent to EUR 531.1 million, EBIT up 27 percent to EUR 39.0 million
- At EUR 27.5 billion, assets under management set new record – 2014 the most successful year to date in wealth management
- Executive Board proposes dividend of 17 cents per share (2013: 16 cents)
- Comprehensive recruiting programme launched – additional investments of EUR 5 million to win over new consultants
- Outlook: Despite difficult market conditions and extensive future investments, MLP anticipates a slight increase in EBIT

Wiesloch/Frankfurt, February 26, 2015 – The MLP Group ended the financial year 2014 with distinct increases in its key figures. Total revenue rose 6 percent to EUR 531.1 million, while earnings before interest and taxes (EBIT) increased by 27 percent to EUR 39.0 million. The intensive client support provided paid off, particularly in the fourth quarter, in which revenue was 58 percent above Q3 and 15 percent above the same quarter in the previous year. EBIT increased by 44 percent to EUR 29.6 million in Q4. Following conclusion of the financial year, the Executive Board proposes an increase in the dividend per share to 17 cents (2013: 16 cents).

In a market environment that remains very difficult, MLP was also successful in winning market shares in important consulting fields. In the field of old-age provision, MLP increased the brokered premium sum of new business by

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### Contact

Jan Berg

Tel: +49 (0)6222 • 308 • 4595  
Fax: +49 (0)6222 • 308 • 1131  
jan.berg@mlp.de

MLP AG

Alte Heerstraße 40  
69168 Wiesloch

[www.mlp-ag.com](http://www.mlp-ag.com)

14 percent from EUR 3.62 billion to EUR 4.12 billion. This was well ahead of the market, which only recorded a five percent increase during the same period. The private health insurance sector is expected to record a market-wide decline in the number of comprehensive health insurance policy holders for the third year in succession, while MLP's base remains stable. In the field of wealth management, the MLP Group increased its assets under management on an annual basis from EUR 24.5 billion to EUR 27.5 billion. With this 12 percent increase, the MLP Group is only slightly behind the growth recorded by the market as a whole, which was 13 percent according to the German Association of Investment and Asset Management e. V. (BVI).

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"With a good fourth quarter, we were able to end 2014 on a high note. At the same time, we continued the process of modernisation at MLP and also set new records in the field of wealth management together with our subsidiary FERI," explains Chief Executive Officer Dr. Uwe Schroeder-Wildberg. "However, we are still facing extremely difficult terrain in the fields of old-age provision and health insurance. The best response to these tough basic conditions is to win market shares, which is what we were able to achieve in 2014. At the same time, we are keeping our costs under control. So we have a good handle on all things we can influence."

Total revenue increased to EUR 531.1 million

Total revenue rose to EUR 531.1 million in 2014 (2013: EUR 499.0 million).

At 486.9 million (EUR 457.7 million), commission income made the greatest contribution to this. At EUR 22.9 million (EUR 22.8 million), interest income

remained at the same level as the previous year. Other revenue also rose from EUR 18.5 million to EUR 21.4 million.

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The revenue breakdown by consulting areas shows that wealth management once again recorded an increase. With revenue of EUR 147.0 million (EUR 138.1 million) and assets under management of EUR 27.5 billion, the MLP Group set new record levels here. The subsidiary FERI made a significant contribution to this positive development – both through investment management and in the field of consulting. In the field of old-age provision, revenue increased from EUR 219.9 million to EUR 239.7 million. In this business field, MLP benefited from a good final quarter, in which revenue rose by 21 percent to EUR 106.6 million (Q4 2013: EUR 88.3 million). MLP also continued its positive development of the last few years in the field of non-life insurance. Here, revenue rose on an annual basis to EUR 34.6 million (2013: EUR 32.5 million).

The health insurance business continued to be influenced by public discussions. Although MLP was able to expand its market share, revenue in this segment declined from EUR 47.8 million to EUR 43.5 million due to a lower than anticipated volume of new business. With revenue of EUR 13.6 million (EUR 14.5 million), revenues from loans and mortgages remained slightly below the high level recorded in the previous year. The real estate business launched in April 2014 is reflected in other commission and fees, which reached EUR 8.4 million (4.9 million).

FY 2014: Net profit increased to EUR 29 million

EBIT for the financial year increased to EUR 39.0 million (EUR 30.7 million).

Net profit for the period rose by 21 percent to EUR 29.0 million (EUR 23.9 million).

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Viewing the fourth quarter in isolation, total revenue increased by 15 percent to EUR 186.4 million (Q4 2013: EUR 162.3 million). EBIT rose by 44 percent to EUR 29.6 million (EUR 20.5 million); net profit was EUR 21.8 million, following EUR 16.0 million in the same period of the previous year.

The fourth quarter was also the strongest in the year in terms of customer acquisition. Overall, MLP acquired 27,900 new customers (2013: 26,300) in 2014. The number of consultants increased slightly to 1,952 at the end of the year (September 30, 2014: 1,944).

Proposed dividend of 17 cents per share

Based on the business development, the Executive Board proposes a dividend of 17 cents per share (2013: 16 cents). This corresponds to a pay-out ratio of 63 percent and therefore falls within the announced corridor. "With our dividend payout, we are allowing our shareholders to participate significantly in the success of our company, while we can also further strengthen MLP," explains Chief Financial Officer Reinhard Loose. In the forthcoming financial years MLP will distribute between 50 and 70 percent of the consolidated net profit.

## Extensive recruiting campaign starts

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Within the scope of the growth initiatives launched one year ago, MLP is set to considerably speed up the actions for acquiring new consultants. Among other things MLP is making it significantly easier for new consultants to start into self-employment. The aim is to increase the number of consultants by the end of 2015 to above the level recorded on December 31, 2014. At the same time, at least four new additional offices in the university segment are also set to be opened in the course this year. In 2015, MLP will invest an additional EUR 5 million in activities to recruit new consultants. In addition to this, MLP will continue to implement its online strategy, which was announced one year ago. This includes expanding the internet as an important interface for arousing interest and acquiring new clients in the university segment. Alongside this, MLP will establish options for taking out basic product contracts online. The ongoing diversification of our revenue base forms an additional focus of the growth initiatives. MLP will today present details on the initiatives within the scope of its annual press and analyst conference.

## Outlook: Slight increase in EBIT anticipated

MLP anticipates that the difficult market conditions will continue throughout the financial year 2015. Despite a slight increase in 2014, new business in the old-age provision market still remains well behind the levels recorded in previous years. The lowering of the guaranteed interest rate will present a further negative effect in the current financial year. However, MLP also anticipates positive stimuli, such as from the field of occupational provision. Alternative guarantee concepts and single premiums will also become in-

creasingly important. In summary, MLP anticipates stable sales revenue in the field of old-age provision. However, in the fields of health insurance and wealth management, MLP anticipates a slight increase in revenue. Moreover, significant gains are expected in the real estate business. At the same time MLP will continue to keep a tight rein on its costs, anticipating administration cost of EUR 255 million for 2015 (2014: EUR 256.8 million).

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In summary, MLP anticipates a slight increase in EBIT for the financial year 2015. "Following the gains recorded in 2014, our outlook documents our mission to record profitable growth, despite operating in difficult markets and making additional investments," comments Reinhard Loose.

#### An overview of key figures

MLP Group (in € million)	Q4/2014	Q4/2013*	Change in %		12 months 2014	12 months 2013*	Change in %
Revenue	177.8	155.3	14		509.7	480.5	6
Commission income	172.0	149.8	15		486.9	457.7	6
Revenue from the interest rate business	5.8	5.5	5		22.9	22.8	0
Other revenue	8.6	7.0	23		21.4	18.5	16
Total revenue	186.4	162.3	15		531.1	499.0	6
Earnings before interest and tax (EBIT)	29.6	20.5	44		39.0	30.7	27
Earnings before tax (EBT)	28.4	20.7	37		37.6	30.8	22
Net profit for the period	21.8	16.0	36		29.0	23.9	21
Earnings per share (diluted/basic) in euros	0.20	0.15	33		0.27	0.22	23
Clients					847,600	841,600**	1
Client consultants					1,952	1,944**	0

\*) Previous year's values adjusted

\*\*\*) September 30, 2014

## About MLP:

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

- MLP Finanzdienstleistungen AG: The dialogue partner for all financial matters
- FERI AG: The investment expert for institutional investors and high net-worth individuals
- TPC GmbH: The specialist in pension management for companies

The views and expectations of our clients always represent the starting point in each of these fields. Building on this, we then present our clients with suitable options in a comprehensible way so that they can make the right financial decisions themselves. For the implementation, 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. Just under 2,000 client consultants and around 1,500 employees work at MLP.