



The MLP Group – The partner for all financial matters

Management Roadshow

October / 2019



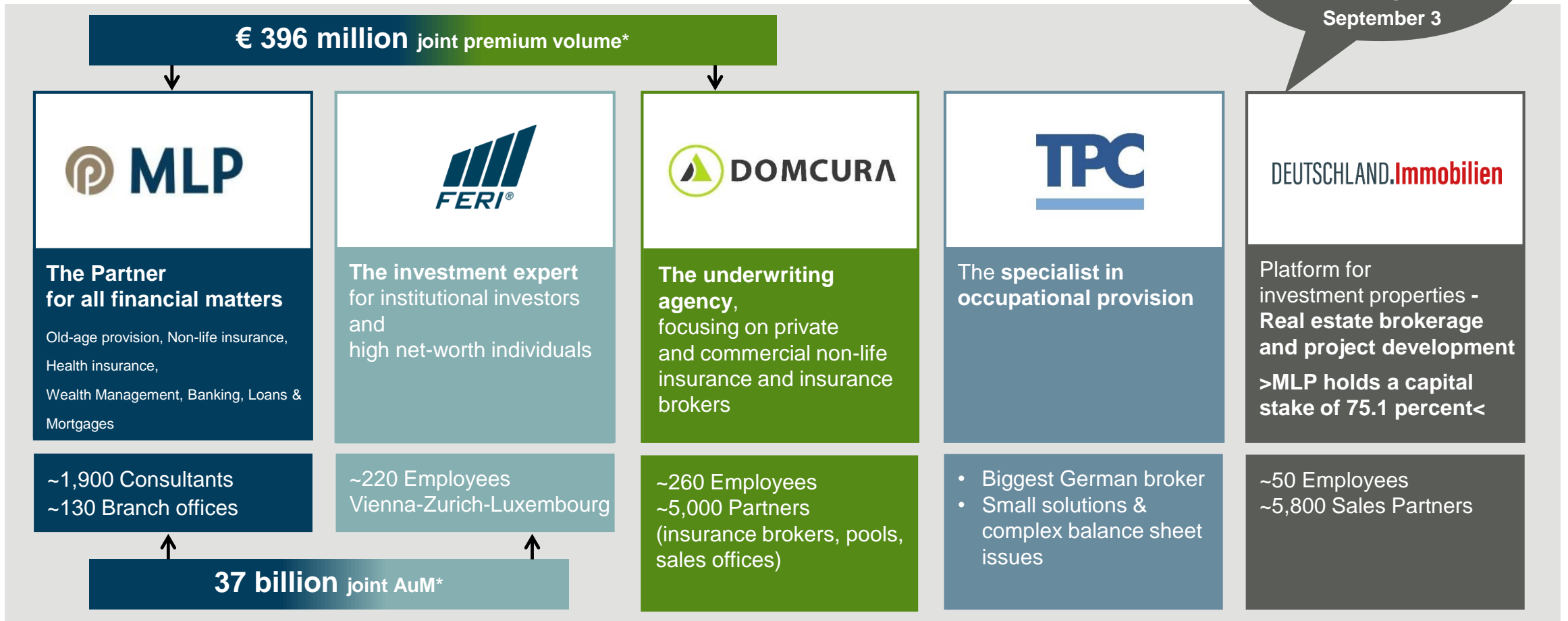
Finanzen verstehen. Richtig entscheiden.

Agenda

1. MLP at a glance
2. Strategy
3. Business Performance H1 2019
4. Outlook

MLP Group

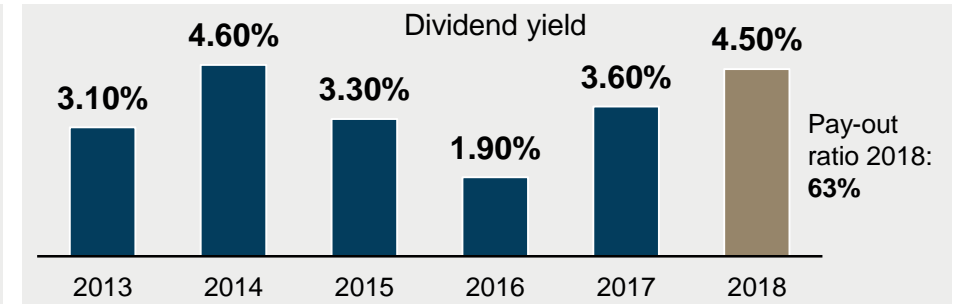
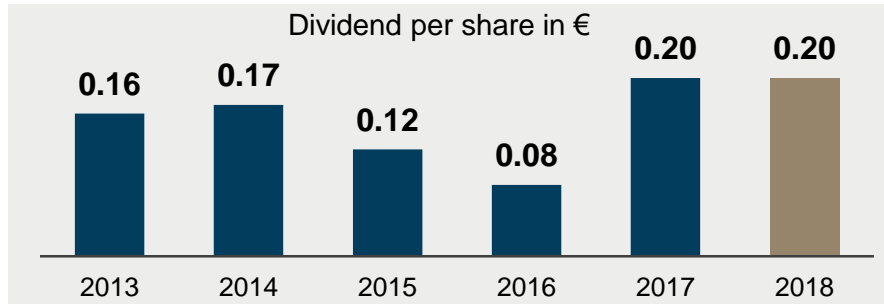
5 Brands – each with outstanding market position



*H1 2019

MLP Group – Attractive dividend policy & stable shareholder structure

1 **Attractive**
Dividend policy
 Pay out ratio: **50%-70%**
 of net profit



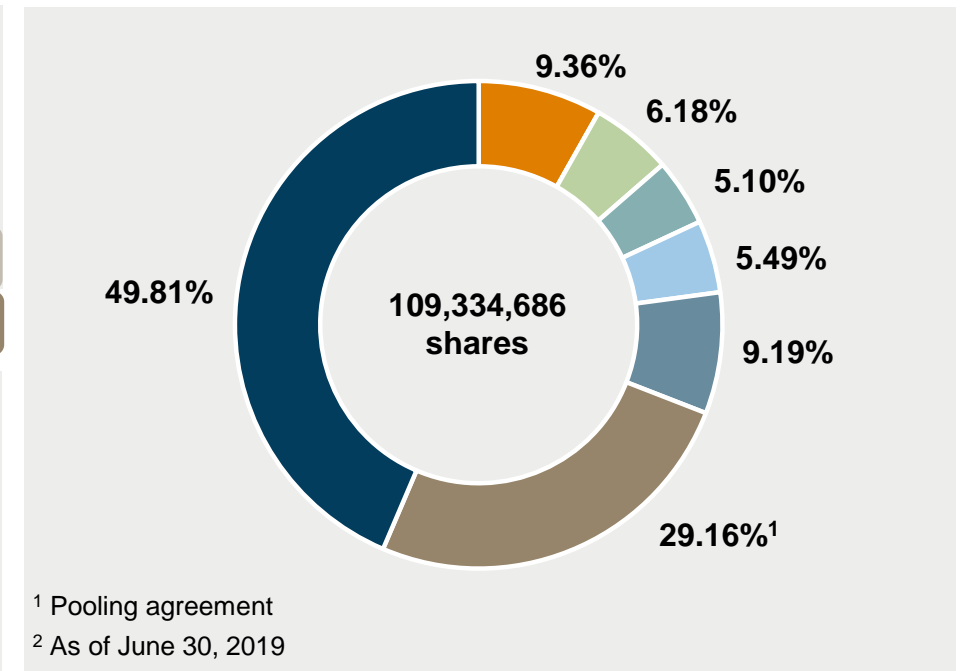
2 **Broad**
Research coverage

Commerzbank AG	Buy	TP € 5.40
Hauck & Aufhäuser	Buy	TP € 6.50
Pareto Securities	Buy	TP € 6.40
Independent Research	Hold	TP € 5.00
Bankhaus Lampe	Buy	TP € 5.50
Ø – Recommendation	▲	TP € 5.76

Ø – share-price potential: ~20% !

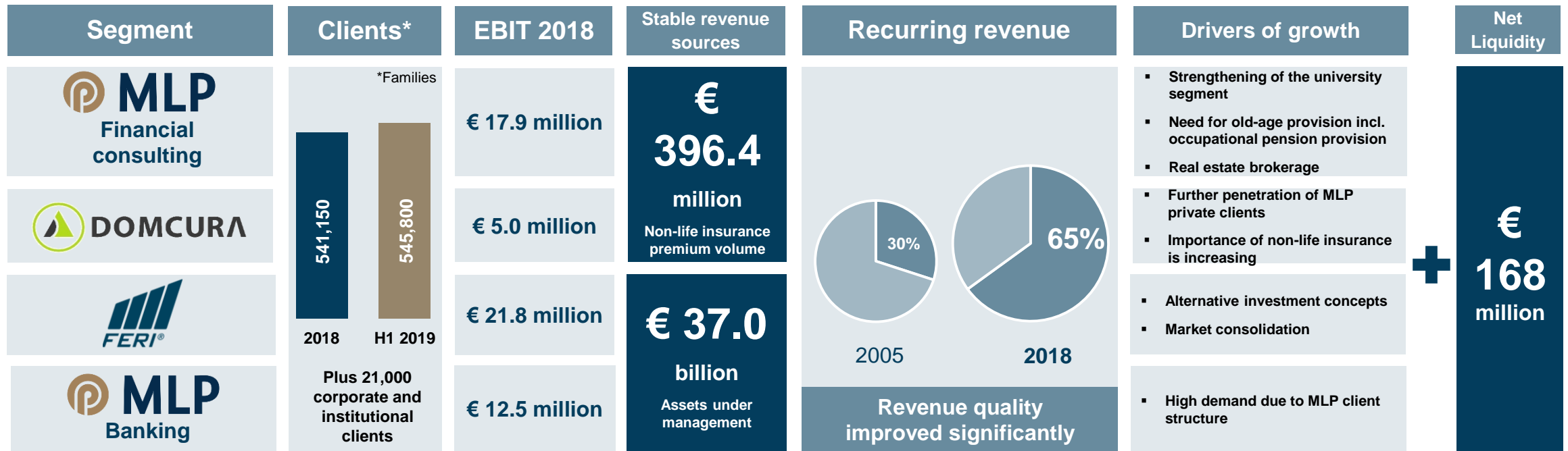
3 **Stable**
Shareholder structure²
 Notifications made to MLP SE
 >3%

HDI Pensionskasse AG	9.36%
Allianz SE	6.18%
HanseMerkur Krankenversicherung	5.10%
Barmenia	5.49%
Universal-Investment-Gesellschaft	9.19%
Familie Lautenschläger	29.16%
Freefloat (Definition Deutsche Börse)	49.81%



MLP Group – Strong substance and high potential

MLP Group



Quality: Stable business with a high proportion of recurring revenue

Potential: Growth opportunities in existing business

→ Positioning and liquidity form a strong basis

Agenda

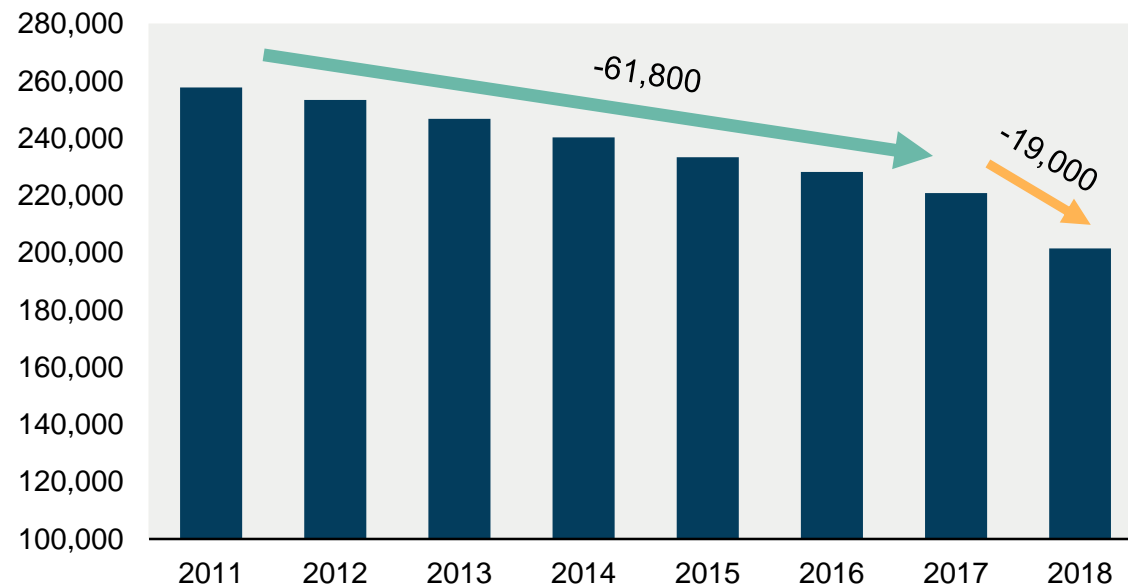
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Strategic agenda

Strategic focus	1 Organic growth	2 Inorganic growth	3 Continued cost management
Implementation	<ul style="list-style-type: none">• <u>Strengthening of the university segment in the private client business:</u> through focus on recruiting young consultants and acquiring clients• <u>Further broadening of revenue basis:</u> primarily through further expansion of wealth management, non-life insurance and real estate brokerage business• <u>Accelerated implementation of digitalisation strategy:</u> in particular extension of digital information and service offers	<p>The MLP Group <u>continues to target acquisitions</u> and is open for opportunities in all fields of consulting.</p>	<ul style="list-style-type: none">• Ongoing efficiency management on the cost base, which was further structurally reduced in 2016• Simultaneous investment in future projects
Making MLP less dependant to short-term market influences and building on profit level already achieved			

Regulation – significant increase in consolidation within the market due to Life Insurance Reform Act (LVRG)

Accelerated drop in the number of intermediaries operating in the market



Source: DIHK, entries in the Insurance Intermediary Register

Trend is ongoing and has accelerated – MLP to play an active role in consolidation process

Effects of the Life Insurance Reform Act / Evaluation 2018 – Decision 2019

- Quality of consultancy and portfolio is even more important
- Sale organisations with a high cancellation rate lose trail commissions / Major challenges for pyramid sales organisations
- **Evaluation of the LVRG in 2018:**
 - Commission-cap still in discussion. Politics actually develop implementation proposals
 - MLP considers restriction on a general basis as not expedient
 - In case of a restriction high quality consulting still has to be rewarded – as already proposed by the BaFin

Ongoing strengthening of the university segment

Successful development

5 regional managers with sales experience appointed*

87 university team leaders acquired*

Applications to work as MLP consultants **more than doubled** in 2018 compared to the previous year

Outlook for 2019: **Further dynamism anticipated** in hiring of new consultants

* H1/2019

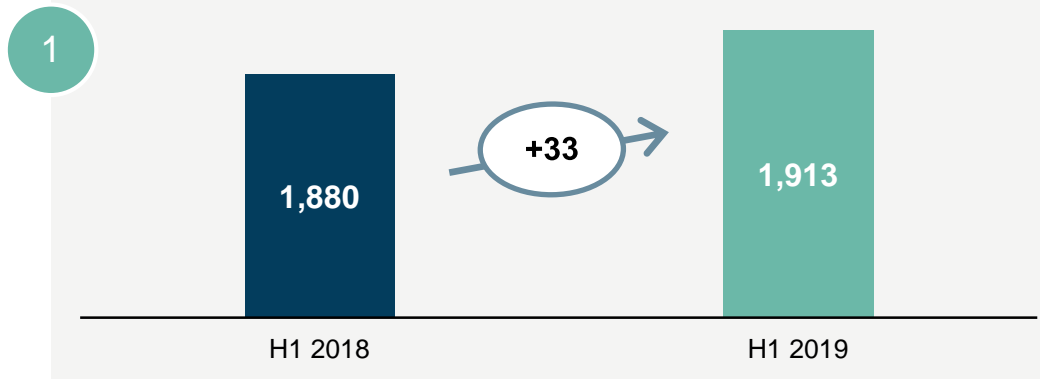
Investments of around € 8 million in the university segment in 2019

Investments starting to pay off

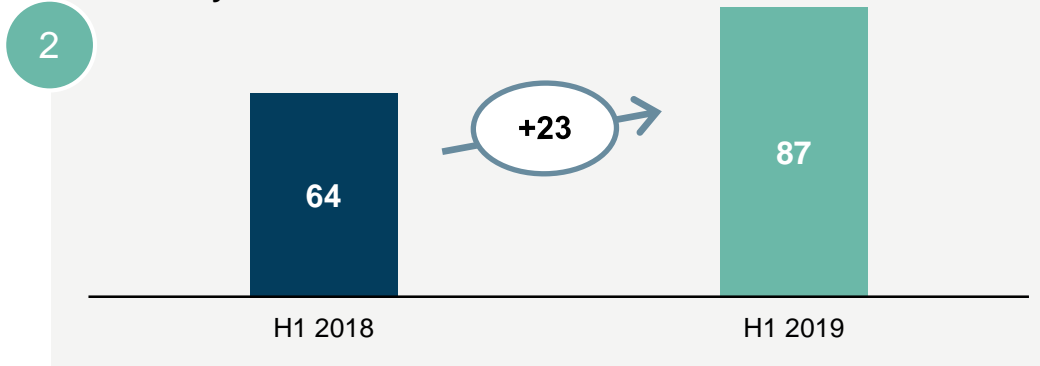
Strategic initiatives in recruiting young consultants are paying off

Growth in consultants

Total number of consultants



University teams



Positive impulses in the university segment

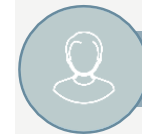


Investments to strengthen the university segment

✓ FY 2017
€ 7 million

✓ FY 2018
€ 7 million

✓ FY 2019
€ 8 million



Increasing number of young consultants

H1 2018 against H1 2019: **+>50 %**

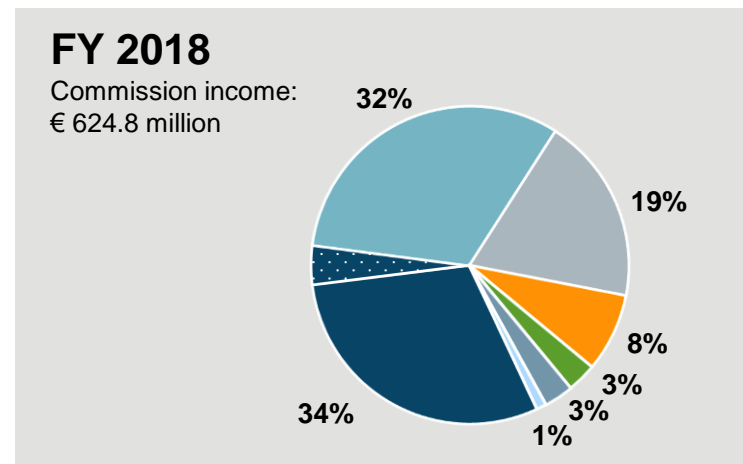
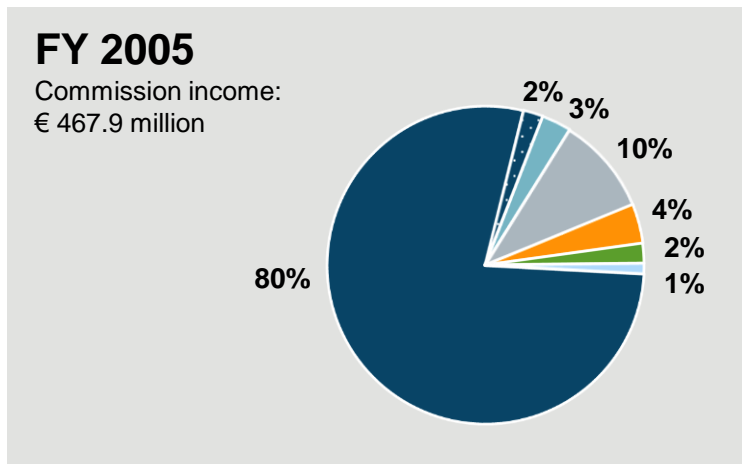


Brokered premium volume in old-age provision

H1 2018 against H1 2019: **+>90 %**

Successful diversification of the revenue basis

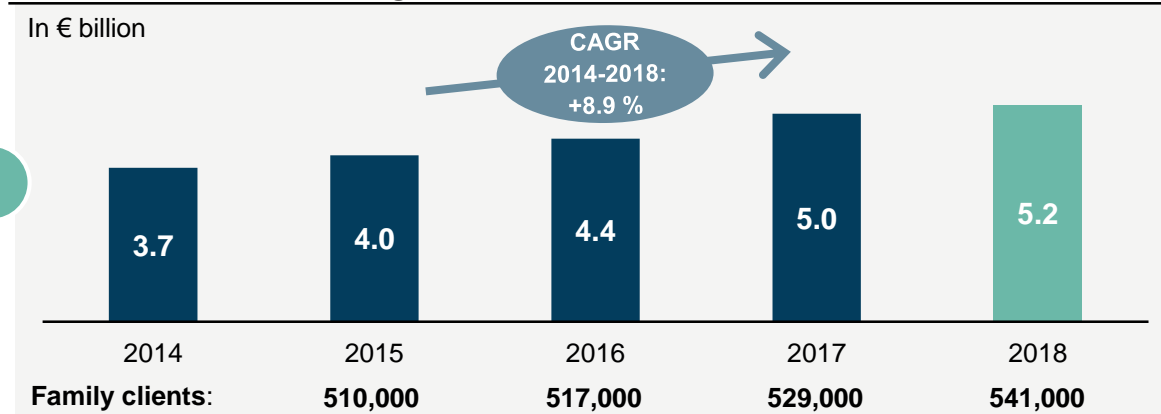
Recent acquisition of DEUTSCHLAND.Immobilien to further develop real estate business



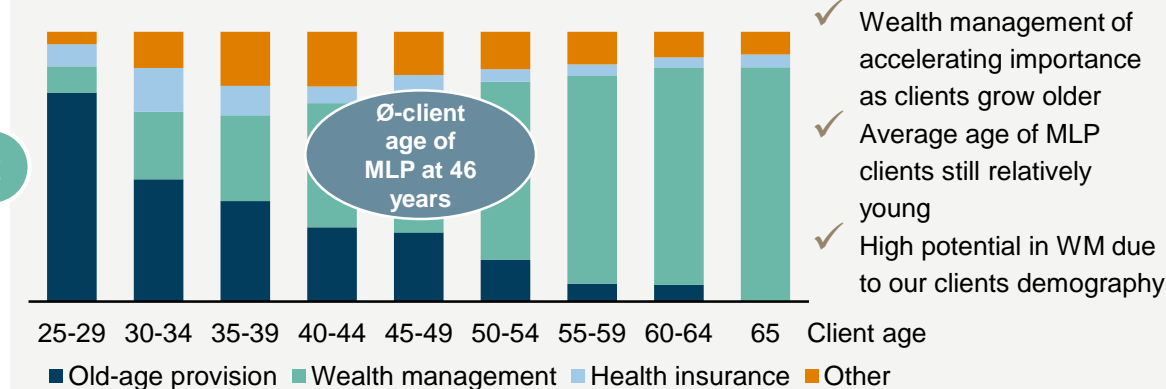
- Old-age provision / Occupational pension provision
- Wealth management
- Health insurance
- Non-life insurance
- Loans and mortgages
- Real estate brokerage
- Other commission and fees

Wealth management keeps on track – raising demand especially for alternative assets at FERI

AuM MLP Banking

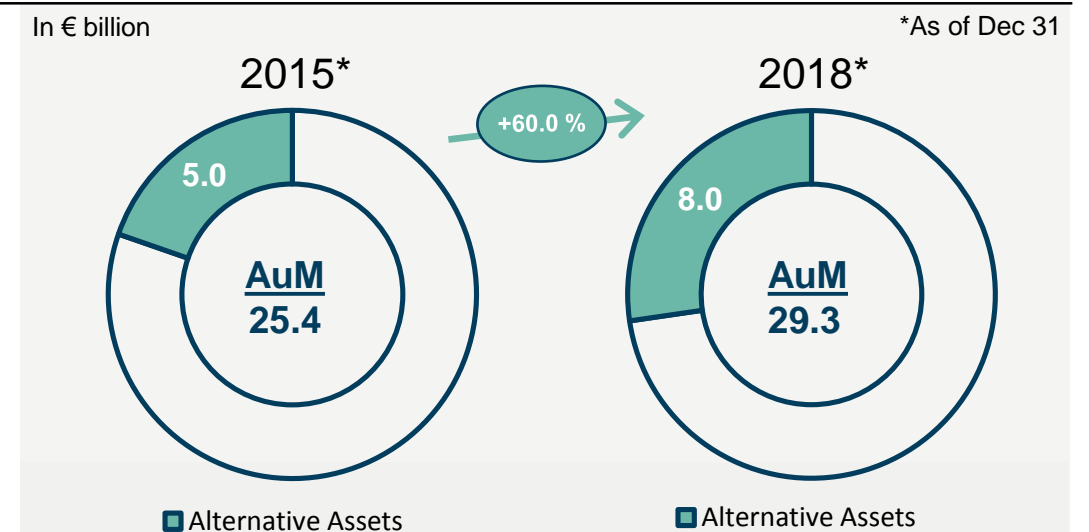


Increasing value creation potential in wealth management



Source: Own Research

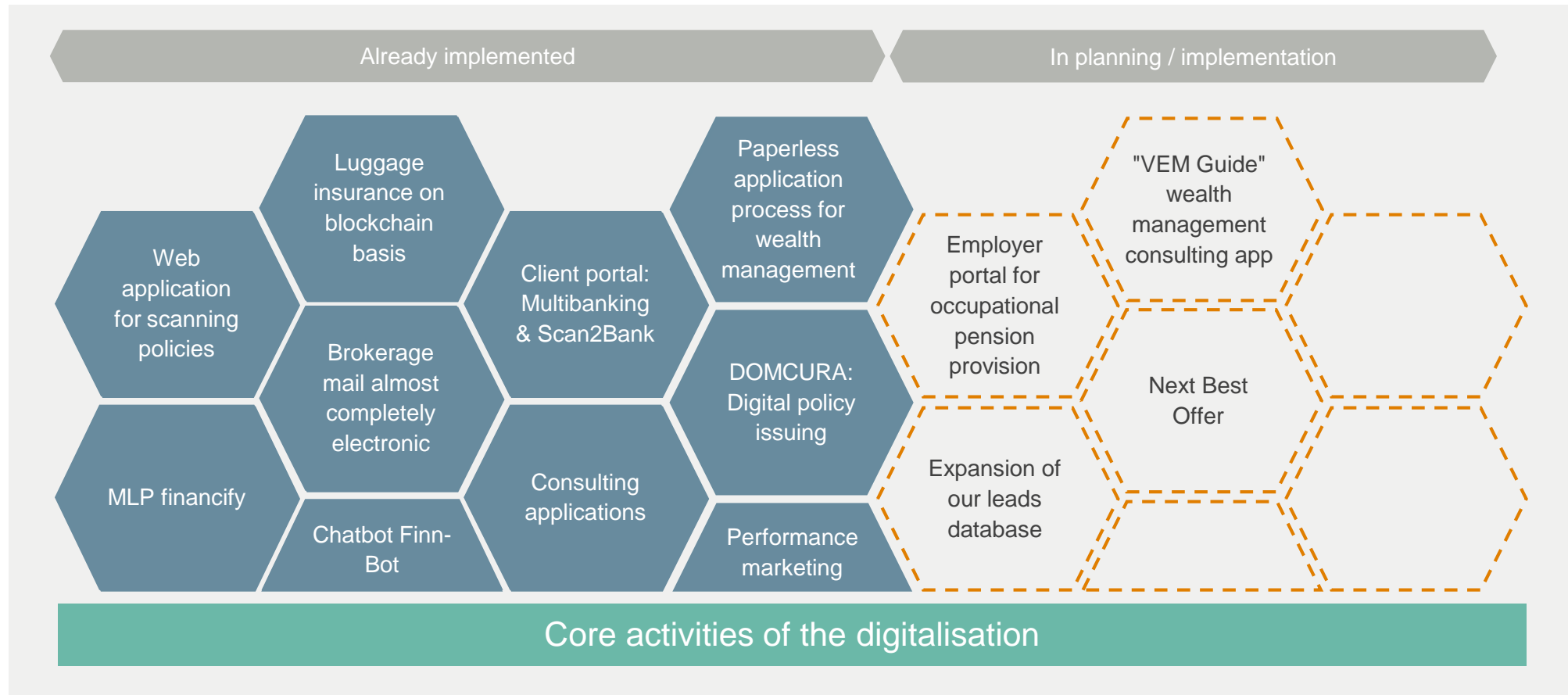
Total Assets at FERI



- 1 Ongoing low interest rates environment will further accelerate the fund allocation in alternatives
- 2 Strong expertise in alternatives at FERI e.g. Private Equity, Hedge Funds, Real estate, Commodities and volatility strategies
- 3 Biggest Hedge Funds research team in Germany

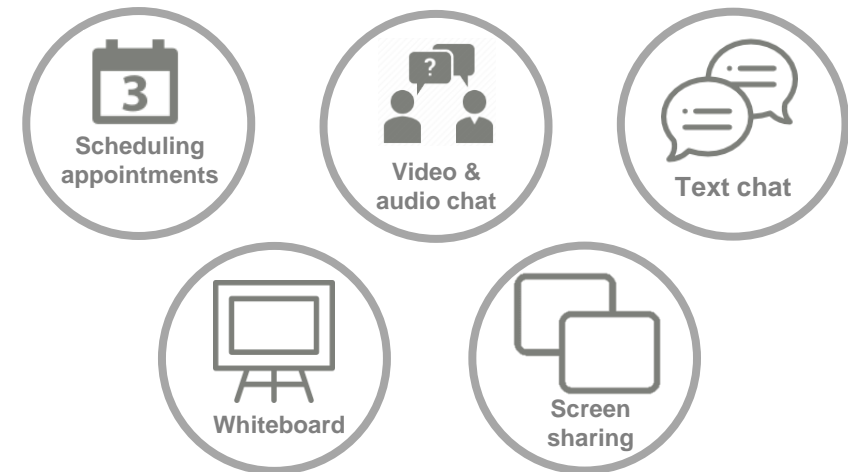
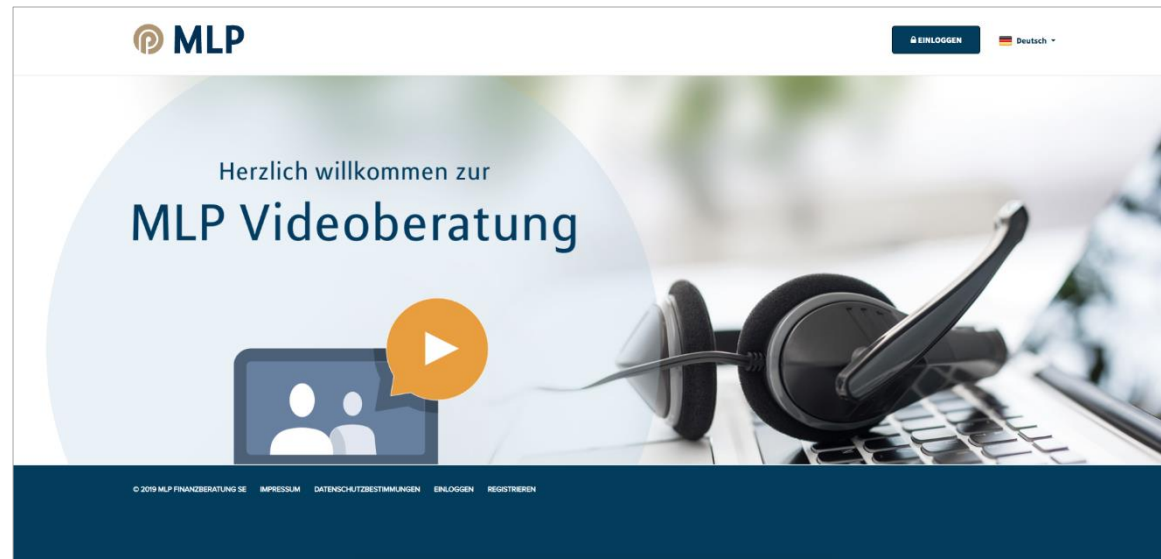
Consistent implementation of digitalisation strategy

Intelligent combination of face-to-face consulting and digital services



Digital support increases consulting efficiency and client proximity

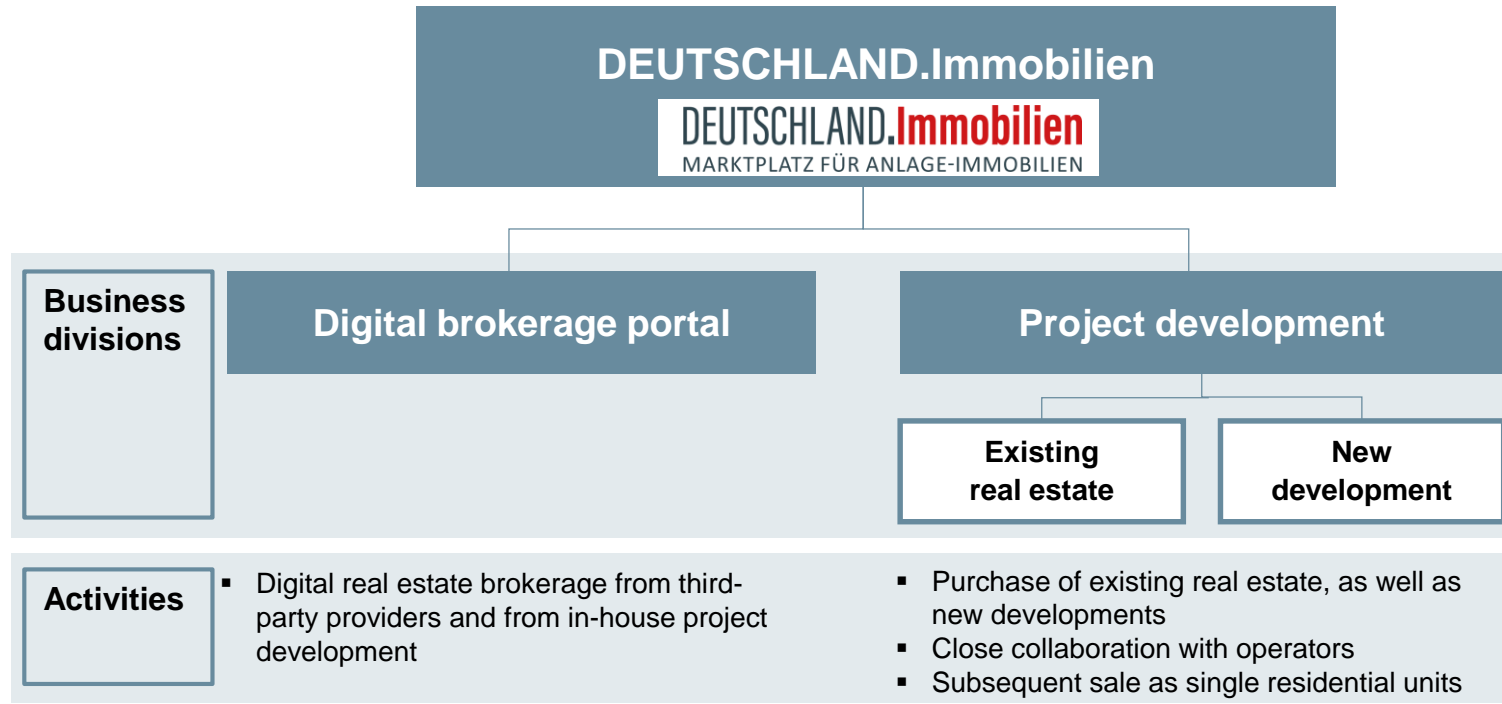
Expanded online client support by MLP consultants



Profile of DEUTSCHLAND.Immobilien

Brokerage and project development in the real estate sector

Business model



Key data

- High degree of specialization in the age-appropriate living/nursing care sector
- Registered office: Hanover
- Number of companies: 8 companies plus project enterprises
- Employees: Approximately 50
- Sales partners: Approximately 5,800

DEUTSCHLAND.Immobilien web portal

The screenshot shows the DEUTSCHLAND.Immobilien web portal. The header includes the logo, a tagline 'MARKTPLATZ FÜR ANLAGE-IMMOBILIEN', a profile picture of Sebastian Reucus, and contact information. The navigation menu includes 'Kaufen', 'Verkaufen', 'Partner werden', 'Projektpartner', 'Service', 'Über uns', and 'Kontakt'. The main content area displays search results for 156 properties, sorted by 'Beliebtheit'. The results are shown in a grid format, with each property listing including a photo, title, location, price, units, year built, and a 'Details' button. The sidebar on the left offers filters for 'Unsere Anlage-Immobilien' and a 'Kostenlose Beratung' button.

Property Name	Location	Price	Units	Year Built	Rent Yield
Limburg an der Lahn	Seniorenwohnanlage Lindenholzhausen	ab 178.326 €	25 (16 Verfg.)	2016	4,01 %
Lich - Naturpark Vogelsberg	Seniorenresidenz Am Breuerbergsweiher	ab 150.360 €	90 (5 Verfg.)	2018	4,50 %
Stockach am Bodensee	Penthouse-Wohnungen in Stockach am Bode...	ab 259.510 €	8 (6 Verfg.)	2017	3,58 %
Heide	Wohnen am Campus	ab 90.600 €	64 (23 Verfg.)	2016	4,41 %

B2B

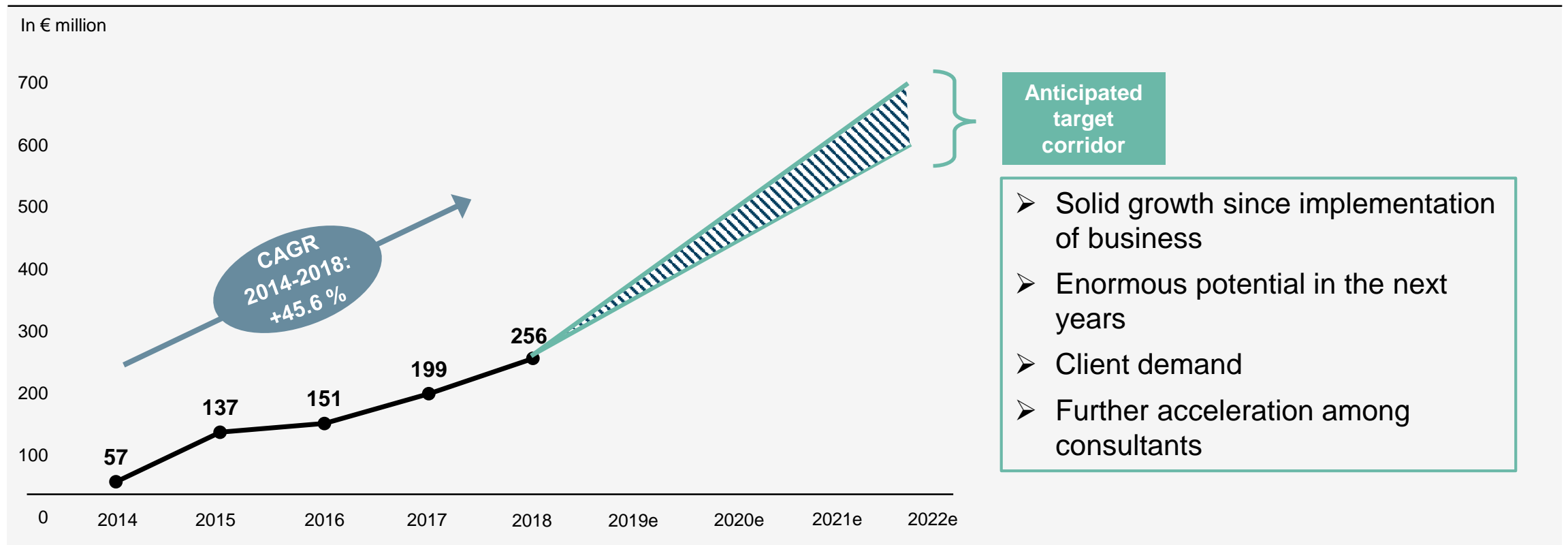
- **Roughly 5,800 sales partners** are registered in the system
- **Brokers can process all steps**, from gathering information, through calculations and reservations, all the way up to the actual sale and commission calculation
- Property developers have **complete transparency** regarding the sales status of their properties

B2C

- **Several thousand prospective and existing clients** are in the system
- Prospective clients are provided with **regular information on new products**

Enormous potential in real estate brokerage

Real estate volume brokered by MLP consultants



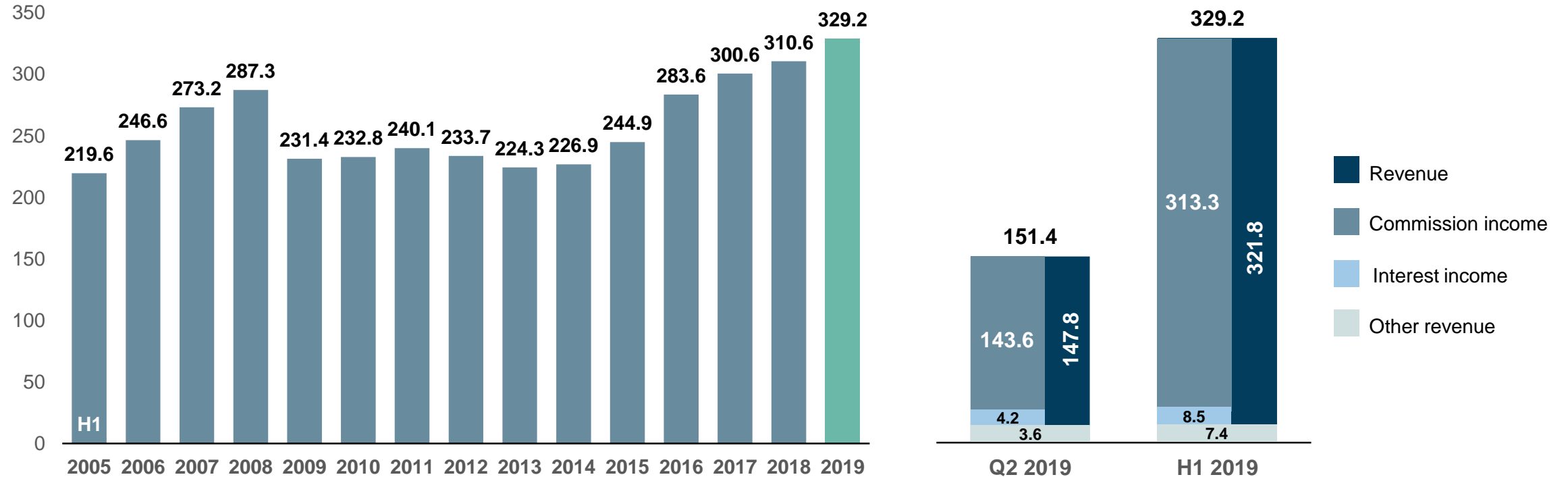
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H1/2019: Total revenue rose to a new high

Total revenue

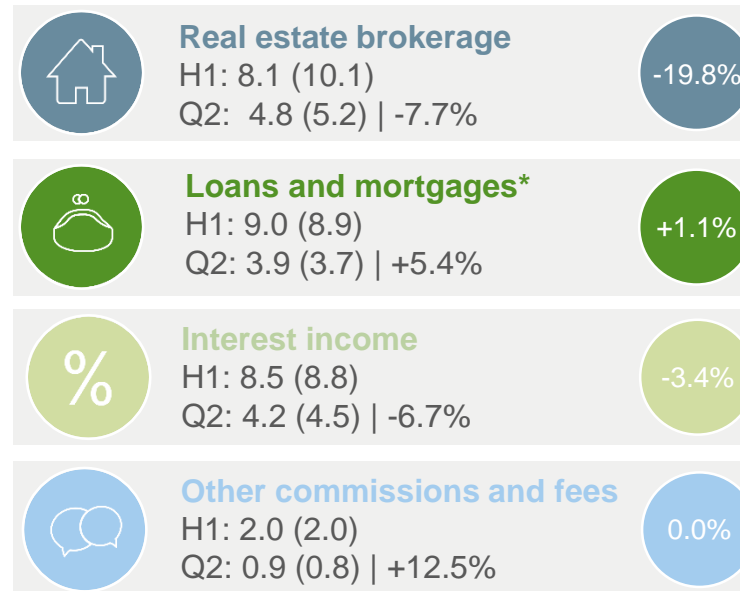
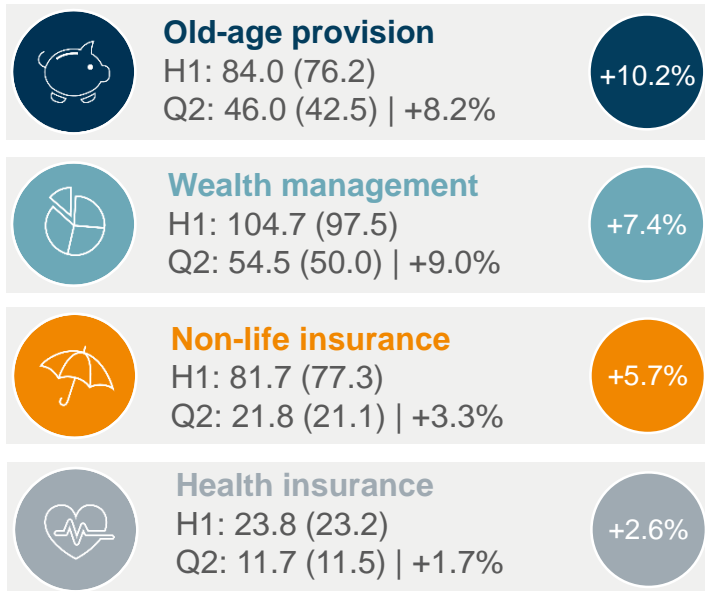
In € million



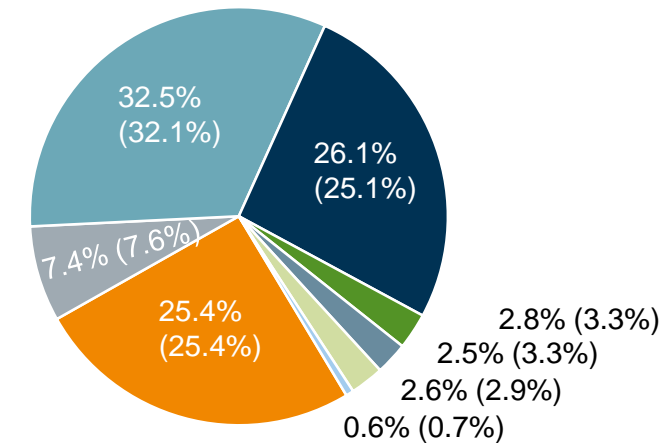
H1/2019: Growth in virtually all fields of consulting

Revenue H1/Q2

In € million



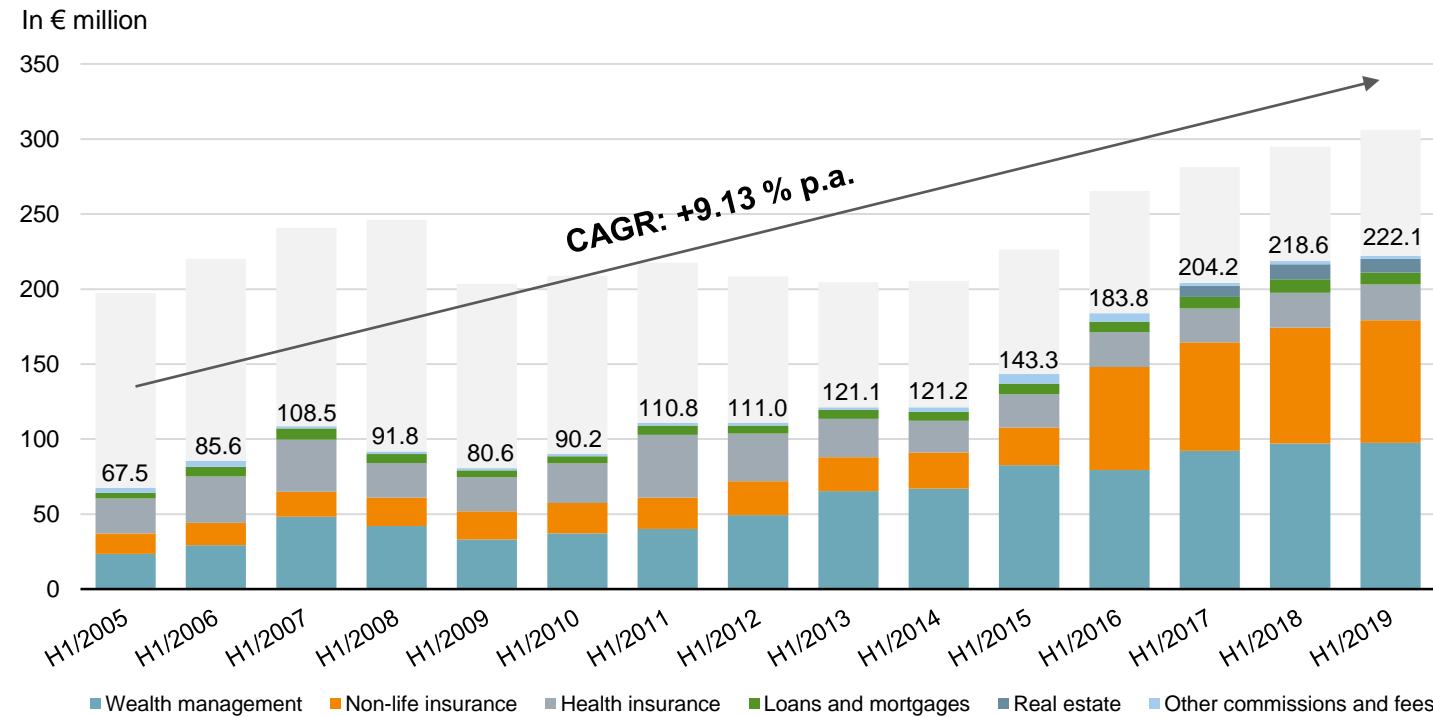
Revenue breakdown:



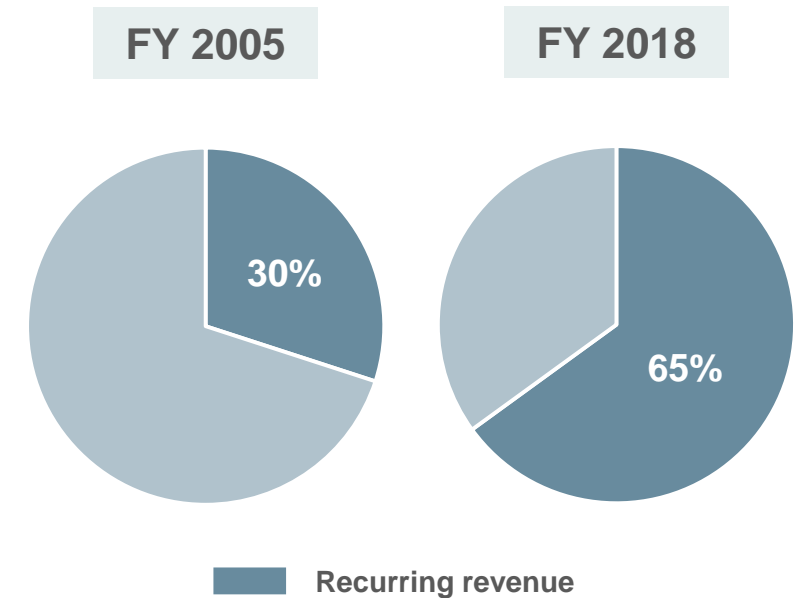
Previous year's values in brackets * Excluding MLP Hyp

H1/2019: Successful diversification beyond old-age provision

Commission income H1 (all fields, excl. old-age provision)



Recurring revenue



H1/2019: EBIT of € 12.2 million generated

Income statement

In € million	Q2 2018	Q2 2019	H1 2018	H1 2019
Total revenue	142.7	151.4	310.6	329.2
EBIT	-1.0	-0.3	12.1	12.2
Finance cost	0.0	-0.3	-0.4	-0.6
EBT	-0.9	-0.7	11.7	11.6
Taxes	1.4	0.6	-1.9	-2.6
Net profit	0.5	-0.1	9.8	9.0
EPS in Euro (diluted/basic)	0.00	0.00	0.09	0.08

H1/2019: Core capital ratio at 18.5 %

Balance sheet overview

<u>Assets</u>	In € million	Dec. 31, 2018	June 30, 2019
Intangible assets		155.9	152.7
Property, plant and equipment		78.3	132.8
Financial assets		165.3	178.4
Receivables from clients in the banking business		761.0	787.2
Receivables from banks in the banking business		694.2	687.3
Other receivables and assets		158.1	148.3
Cash and cash equivalents		385.9	471.7
<u>Liabilities and shareholders' equity</u>			
Shareholders' equity		424.8	406.3
Provisions		94.5	85.7
Liabilities due to clients in the banking business		1,638.9	1,797.9
Liabilities due to banks in the banking business		81.6	92.4
Other liabilities		165.8	190.1
<u>Balance sheet total</u>		2,421.0	2,586.4

Equity ratio: 15.7 %

Core capital ratio 18.5 %

Eligible own funds: ~ € 262 million







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Forecast for the financial year 2019 confirmed

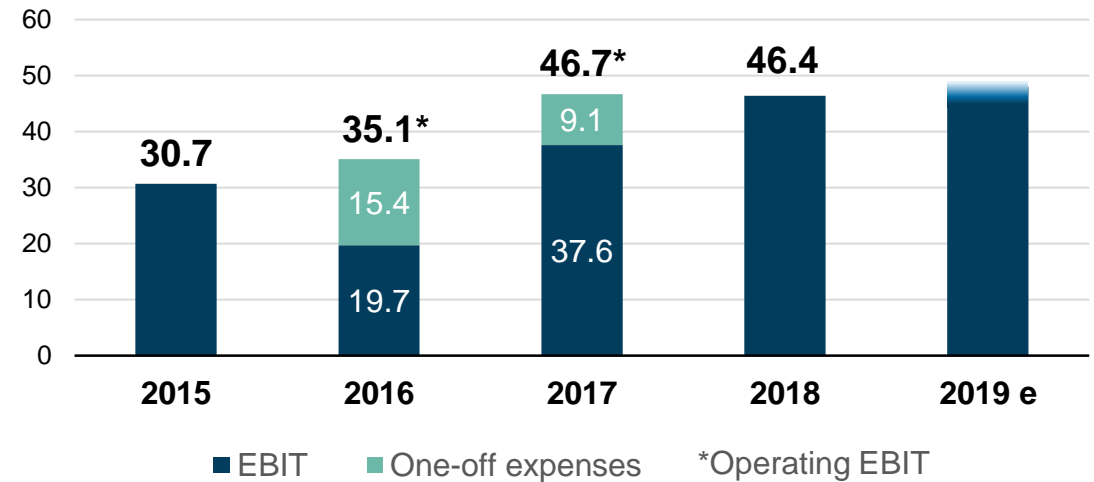
Qualitative assessment of revenue development

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

	Old-age provision	0
	Wealth management	+
	Health insurance	0
	Non-life insurance	+
	Loans and mortgages	++
	Real estate brokerage	++

Earnings performance

In € million



MLP anticipates EBIT to rise slightly in 2019

Summary

- Permanent **further development** successfully **advanced in 2018**
- **Revenue increased substantially** in the first six months – continued **sound basis** for the remainder of the financial year
- Implementation of **strategic agenda** is well underway – **significant potential** within the entire MLP Group
- Further development of the **university segment** is delivering results
- Despite repeated comprehensive investments in the future: **Slight increase in EBIT in 2019**