



Interim Group Report for the first  
half-year and the second quarter 2016

## MLP key figures

All figures in € million	2nd quarter 2016	2nd quarter 2015 <sup>2</sup>	1st half-year 2016	1st half-year 2015 <sup>2</sup>	Change in %
MLP Group					
Total revenue	131.3	115.0	283.6	244.9	15.8 %
Revenue	126.8	111.5	275.7	237.3	16.2 %
Other revenue	4.4	3.5	8.0	7.6	5.3 %
Earnings before interest and tax (EBIT) (before one-off exceptional costs – operating EBIT)	0.4	1.1	9.3	8.1	14.8 %
Earnings before interest and tax (EBIT)	-1.0	1.1	7.7	8.1	-4.9 %
EBIT margin (%)	-0.8%	1.0%	2.7%	3.3 %	-
Net profit	-0.6	1.3	5.6	6.6	-15.2 %
Earnings per share (diluted/undiluted) in €	0.00	0.01	0.05	0.06	-16.7 %
Cashflow from operating activities	-7.6	0.6	64.4	38.7	62.0 %
Capital expenditure	1.9	2.7	3.8	5.6	-32.1 %
Shareholders' equity	-	-	372.1	385.8 <sup>1</sup>	-3.6 %
Equity ratio (%)	-	-	21.0 %	22.0 % <sup>1</sup>	-
Balance sheet total	-	-	1,774.9	1,752.7 <sup>1</sup>	1.3 %
Private clients (Family)	-	-	512,800	510,200 <sup>1</sup>	0.5 %
Corporate and institutional clients	-	-	18,600	18,200 <sup>1</sup>	2.2 %
Consultants	-	-	1,925	1,942 <sup>1</sup>	-0.5 %
Branch offices	-	-	151	156 <sup>1</sup>	-3.2 %
Employees	-	-	1,799 <sup>3</sup>	1,537	17.0 %
Arranged new business					
Old-age provisions (premium sum)	724.5	679.2	1,306.2	1,249.8	4.5 %
Loans mortgages	429.5	471.1	884.8	898.4	-1.5 %
Assets under management in € billion	-	-	29.3	29.0 <sup>1</sup>	1.0 %

<sup>1</sup> As of December 31, 2015.<sup>2</sup> As of 2016, loan loss provisions are disclosed as a separate item. For this reason, the previous year's disclosure was adjusted.<sup>3</sup> Excluding DOMCURA: 1,533

# Interim Group Report for the first half-year and the second quarter 2016

## THE FIRST HALF-YEAR AND THE SECOND QUARTER 2016 AT A GLANCE

- Q2: Contrary to the overall market trend, the old-age provision and health insurance segments each increased by 10 % – total revenue up to € 131.3 million (Q2 2015: € 115.0 million)
- H1: At € 283.6 million, total revenue 15 % up on previous year
- Operating profit before interest and taxes (operating EBIT) of € 9.3 million for the first six months is also above the previous year (H1 2015: € 8.1 million)
- Efficiency measures and growth initiatives are progressing as planned
- Outlook: As announced, EBIT level should rise again significantly from 2017 onwards

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## Introductory Notes

This Group interim report has been compiled in accordance with the regulations of German Accounting Standard No. 16 (DRS 16) "Interim Financial Reporting" and continues on from the 2015 consolidated financial statements. It presents important events and business transactions of the first half of 2016 and updates forecast-based information from the last joint management report. The Annual Report is available on our homepage at [www.mlp-ag.com](http://www.mlp-ag.com).

In the description of the MLP Group's financial position, net assets and results of operations pursuant to International Financial Reporting Standards (IFRS), the previous year's figures are given in brackets.

The information in this Interim Group Report has neither been audited by an auditor nor subjected to an audit review.

## Profile

### **The MLP Group – The partner for all financial matters**

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

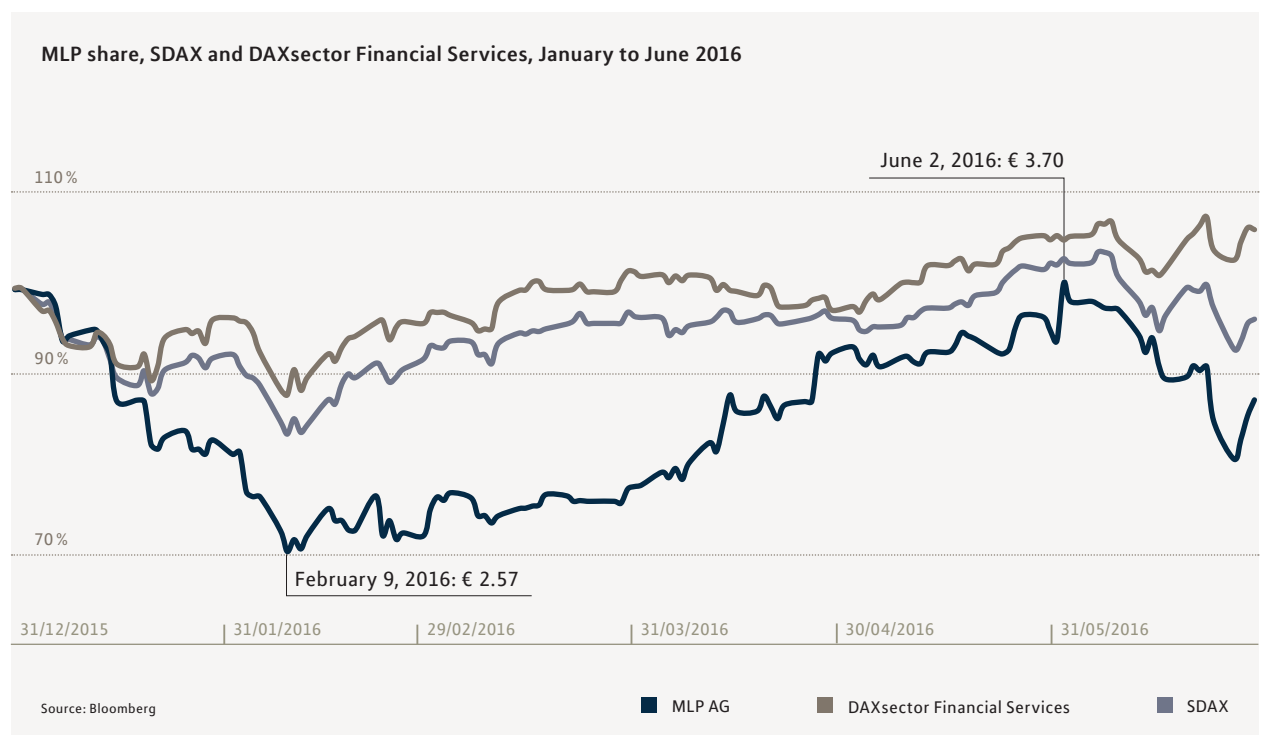
- MLP Finanzdienstleistungen AG: The dialogue partner for all financial matters
- FERI AG: The investment expert for institutional investors and high net-worth individuals
- DOMCURA AG: The underwriting agency focusing on private and commercial non-life insurance products
- TPC GmbH: The specialist in occupational pension provision 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 Marscholke founded MLP in 1971. Just under 2,000 client consultants and around 1,800 employees work at MLP.

## Investor Relations

Overall development on the worldwide stock exchanges was characterised by a severe decline in the first six months of 2016. The UK's leading index, the FTSE 100, has lost more than 9 % since the start of the year. This was largely due to the result of the referendum, held at the end of June, on the UK leaving the European Union (EU). The vote to leave the EU also led to a decline of further leading indices around the world.

Germany's leading index, the DAX, displayed great volatility in the reporting period and recorded the weakest start to the new year in 28 years. After two and half weeks in 2016, it had fallen to 9,314 points. This decline was due to the impact concerns about growth in China and the resulting negative expectations for German exports. In the months that followed, the capital markets in Germany and Europe were unsettled further by speculation of an increase in capital stock and greater credit defaults at Deutsche Bank. The DAX fell to 8,752 points, a decline of 18.5 % since the start of the year. The DAX was not able to climb above the 10,000-point mark again until March. It then went on to hit 10,474 points in April. Following a phase of relative calm, the mood worsened again significantly in June. The DAX lost almost 6 % month-on-month and almost 10 % for the first half of the year. The imminent Brexit referendum had a negative impact on the markets, primarily due to uncertainty regarding global economic prospects caused by the UK's potential departure from the EU. On June 24, the unexpected result of the referendum in the UK caused the DAX to lose over 10 % during the course of a single day. It eventually bottomed out at 9,226 points. Germany's leading index recovered slightly by the end of the reporting period and closed H1 at 9,680 points.



### The MLP share

At a price of € 3.67, the MLP share began the new year virtually unchanged. However, the price was subject to severe variations over the course of the reporting period. Due to a significant sales surplus, the share dipped below the € 3.00 mark at the start of February and reached its annual low of € 2.57 on February 9, 2016. Following the expiry of a large purchase order, however, the price was then able to recover up to mid-April and once again surpass the € 3 mark. The price then rose to € 3.70 by the start of June, but subsequently declined again slightly on June 17 due to the payment of dividends at € 0.12 per share. The share price was € 3.21 at the last day of trading of the reporting period. The average daily trading volume at the end of June 2016 rose to 90,200 shares per day (March 31, 2016: 79,800)

The MLP AG share exited the SDAX with effect from March 21, 2016. This was due to large companies taking their place ahead of MLP in the ranking of the performance index last year – primarily as a result of IPOs and changes to stock exchange segments. The downward development of the MLP share also contributed to the company exiting the SDAX. Our objective now is to once again increase both market capitalisation and stock market liquidity by improving our operational performance. This represents the basis for being able to return to the index.

You can find further information on the MLP share in the “MLP Share” section of our Investor Relations page at [www.mlp-ag.com](http://www.mlp-ag.com).

### Key figures of the MLP share

	1st half-year 2016	1st half-year 2015
Shares outstanding at end of reporting period	109,334,686	107,877,738
Share price at the beginning of the year	€ 3.67	€ 3.71
Share price high	€ 3.70	€ 4.26
Share price low	€ 2.57	€ 3.48
Share price as of June 30, 2016	€ 3.21	€ 3.76
Dividend for the previous year	€ 0.12	€ 0.17
Market capitalisation (end of the reporting period)	€ 350,636,338	€ 411,098,419

### Changes to the shareholder structure

The following changes were made in the first half of the year. The share of the voting rights held by FMR LLC (Fidelity) decreased to 4.72 % by March 16, 2016 (7.10 %). This decrease is not due to the sale of shares, but rather an expiration of the proxy for exercising voting rights. In addition to this, Harris Associates L.P./Harris Associates Investment Trust informed us that it held only 1.46 % of the shares in MLP with effect from February 19, 2016.

With effect from June 27, 2016, INKA Internationale Kapitalanlagegesellschaft mbH, Düsseldorf, acquired a total of 3.55 % of MLP shares.

**MLP Annual General Meeting approves dividend of € 0.12 per share**

At the Annual General Meeting held on June 16, 2016, the shareholders voted virtually unanimously (99.96 %) to approve the proposal of the Supervisory Board and Executive Board to pay a dividend of € 0.12 per share. The distribution rate was therefore 56 % of net profit, which simulates the acquisition of the DOMCURA Group on January 1, 2015.

The Executive Board and Supervisory Board were also discharged by a unanimous vote. In addition, the shareholders approved a control and profit and loss transfer agreement with Schwarzer Familienholding GmbH. The agreement was concluded on schedule in the course of the acquisition of the DOMCURA Group performed in 2015. In total, more than 500 shareholders took part in the Annual General Meeting. Those in attendance represented around 70% of the share capital. All information on the Annual General Meeting is available at [www.mlp-agm.com](http://www.mlp-agm.com).

## Interim Group management report for the first half-year and the second quarter 2016

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

The previous year's figures have been amended in the income statement and in the following table. Information on this is provided in Note 3.

### FUNDAMENTAL PRINCIPLES OF THE GROUP

In comparison with the corporate profile described in MLP's 2015 Annual Report, the changes presented below were made during the reporting period. These relate to organisation and administration, as well as the scope of consolidation. You can find detailed disclosures on the "business model", "control system" and "research and development" in the 2015 Annual Report of the MLP Group at [www.mlp-annual-report.com](http://www.mlp-annual-report.com).

The figures from the same quarter in the previous year offer only limited comparability with the current figures from Q1 2016, particularly with regard to revenue in the non-life insurance segment. This is because the DOMCURA Group was not yet part of the MLP Group in the same period of the previous year.

#### Change in organisation and administration

There were no changes in terms of organisation or administration in the reporting period.

#### Change in the scope of consolidation

Our subsidiary FERI AG announced the sale of FERI Eurorating Services AG to Scope Corporation AG on June 30, 2016. The closing date of the transaction was August 1, 2016. FERI is now continuing to focus on its core strengths (investment management, investment consulting and investment research), as well as on strategic further development to become the leading investment company in Germany, Luxembourg, Switzerland and Austria.



## ECONOMIC REPORT

### Overall economic climate

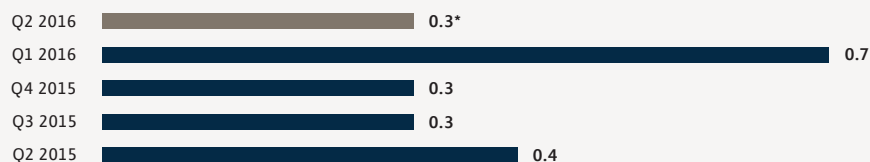
The macroeconomic and sector-specific framework conditions have not changed significantly compared to their presentation in the 2015 Annual Report of the MLP Group.

The German economy lost momentum slightly in the second quarter of 2016. According to FERI Trust GmbH, gross domestic product (GDP) increased by 0.3 % over Q1 2016, following an increase of 0.7 % in the first quarter of 2016. Increased private and state consumption expenditure continued to be the main source of positive stimulus here. In addition to this, a significantly greater sum was invested in the first half of the year than in the fourth quarter of 2015 – both in buildings and equipment. However, growth was slowed somewhat by foreign trade developments, as imports increased to a greater extent than exports.

FERI Trust GmbH anticipates an overall increase in real GDP of around 1.6 % for 2016. At 1.4 %, the growth forecast for 2017 is slightly lower. This is largely due to declining British imports – a direct effect of Brexit. However, it is also compounded by indirect effects such as financial market upheaval, declining direct investments and price effects.

The situation on the employment market remains pleasing. According to data published by the German Federal Statistical Office, the unemployment rate declined from 6.0 % to 5.9 % month-on-month at the end of the Spring recovery in June and was therefore also below the previous year's figure (6.2 %).

#### Economic growth in Germany (change in % to the previous quarter)



\*Estimate  
Source: FERI Trust GmbH, rate of change in GDP, price adjusted

## Industry situation and the competitive environment

### Old-age provision

The market environment in the old-age provision segment remains difficult. It is burdened by the ongoing period of low interest rates, negative reporting on life insurers and their products, as well as the resulting reservations among many consumers in terms of signing up for long-term policies. The industry situation in this field of consulting has not changed compared with the statements made in the Annual Report of the MLP Group.

Following the decision taken by Germany's Federal Finance Ministry, the maximum technical interest rate for pension and life insurance policies once again decreased at the start of 2017. With effect from January 1, 2017, the guaranteed rate for clients signing new contracts has been reduced to 0.9% (up to December 31, 2016: 1.25%). Existing pension and life insurance policies are not affected by this rate reduction.

As a result of the low interest rates, more than half of all those in gainful employment in Germany (55%) are no longer looking to sign any new old-age provision policies. At the same time, more than one in four people in gainful employment throughout Germany (27%) are planning to purchase property either to live in themselves or let to tenants. This is according to the representative Axa Germany Report 2016. Based on the information it provides, those in gainful employment would prefer to purchase buy-to-let property over any other form of investment to support them in their old age. Only the purchase of their own home shows greater popularity in terms of old-age provision planning. Further key findings: One in three people in gainful employment in Germany (32%) are worried about the risk of old age poverty. Almost six out of every ten people in gainful employment (57%) say: "I am more worried about the topic of old-age provision than I used to be".

The reservation on the part of German citizens when it comes to old-age provision can also be seen in the sector figures: according to the German Insurance Association (GDV e.V.), the premium sum of new business declined by 2% in the first half of 2016.

#### Which forms of investment do people in gainful employment intend to use for securing their pension income? (all figures in %)



Source: AXA Germany Report 2016; adjusted to remove possible multiple responses, 27% of all people in gainful employment are intending to acquire property (as an owner-occupied and/or buy-to-let property).

### Health insurance

Private health insurance continues to operate in a difficult market environment, particularly in the comprehensive insurance segment. According to data published by the Association of Private Health Insurers, the number of persons holding comprehensive health insurance has already been in decline for four years. The decrease was 47,100 policy holders in 2015 alone, and there are now around 200,000 fewer persons in total holding comprehensive health insurance than in 2011. According to information published by the Association, however, the number of persons signing supplementary insurance policies is displaying positive development. Indeed, 2015 saw an increase of 1.7% to 24.77 million policy holders. Supplementary dental insurance policies recorded particularly strong growth; with a net increase of 539,000 policies, the figure has more than doubled. Supplementary long-term care insurance, which increased by around 228,000 policies net, continues to represent the second growth field in the supplementary insurance segment. For the first time ever, almost as many non-subsidised supplementary long-term care insurance policies as state-supported policies (so-called "Pflege-Bahr" policies) were concluded.

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

### Wealth management

According to data published by the German Association of Investment and Asset Management (BVI e.V.), the assets under management in the market increased to € 2,673 billion by the end of May (December 31, 2015: € 2,601 billion). The highest net cash inflows continued to be recorded in the institutional business. However, mutual funds were also able to record gains. Most inflows into funds were recorded by mixed funds, followed by open-end real estate funds. Mutual equity funds, on the other hand, actually recorded net cash outflows. The fund industry managed total assets of € 2,673 billion at the end of May (€ 2,600 billion). There were no fundamental changes to the industry situation described in the Annual Report of the MLP Group.

### Non-life insurance

In a recent survey of around 500 small brokerage companies performed by bbg Betriebsberatungs GmbH, 77% of respondents stated that they consider the private non-life insurance business to be highly relevant. By way of comparison, only 56% believed this to be the case just five years ago. The same also applies to the commercial and industrial non-life insurance business, albeit to a slightly lesser extent. Many market players are keen to compensate for their declines in revenue in the old-age provision business, which were caused by the introduction of the Life Insurance Reform Act (LVRG), by expanding their non-life insurance business. At the same time, however, many of the newly founded FinTechs are also focusing their attention on the non-life insurance sector with the goal of using simple apps to push the switchover of non-life portfolios. Yet the necessary new customer acquisitions associated with this involve significant costs. In the meanwhile, this has motivated several of the newly founded companies to withdraw from the market.

Despite this, the market potential of signing up for insurance policies via app has grown noticeably since 2013, as shown by a recent survey of 1,000 smartphone owners performed by Cologne-based market research institute 'Heute und Morgen'. Indeed, 37% of those surveyed said they could already imagine signing up for a liability insurance policy via app (2013: 26%). The willingness to sign up for new policies also saw a similar increase in the field of vehicle insurance (36% vs. 26%) and household insurance (31% vs. 19%). The overall industry situation in this field of consulting has not changed compared with the statements made in the Annual Report of the MLP Group.

### Competition and regulation

The competitive conditions and regulatory environment did not change significantly in the reporting period in comparison with their presentation in the 2015 Annual Report of the MLP Group.

On March 21, 2016, the EU Mortgage Credit Directive (Wohnimmobilienkreditrichtlinie, WiKR) was transposed into national law in Germany. The legislation includes far stricter regulations regarding the granting of property loans than in the past. In future, banks and credit institutions must offer their clients more comprehensive consulting services and perform stricter checks of their creditworthiness. For example, a bank may only grant a property loan when “it can be paid off in full within the statistical life expectancy of the debtor”. This means that banks need to shed more light on the economic situation of a debtor, since defaulting on the loan can lead to severe penalties. Banks are also no longer allowed to select the value of the property as the main criterion when assessing creditworthiness. In future, households without sufficient capital will struggle to find property finance as a result of this.

Brokers must also comply with the new business licence regulations as per §34i of the Industrial Code. A transitional period for this has been put in place up to March 21, 2017. Many MLP consultants already fulfil the new requirements today. Those consultants who do not yet fulfil the formal professional requirements, for example as they have not been in the position for long, will be qualified over the coming months.

MLP was an early adopter of numerous requirements that the legislator is now stipulating with new sets of rules and standards. We consider this to provide us with a clear competitive advantage over other market members.

### Business performance

The MLP Group recorded a successful first half year. Total revenue and commission income were both above the figures for the same period of the previous year. MLP also benefited from gains in the second quarter, in which the old-age provision and health insurance segments each grew by around 10%. The significant growth we achieved in the first half of the year, particularly in the non-life insurance segment, was not least due to the acquisition of the DOMCURA Group. In the wealth management business, revenues were only slightly below the previous year’s record level. In the field of loans and mortgages, it was almost possible to repeat the record level achieved in the same period of the previous year. Other commissions and fees, which focus primarily on the brokerage of real estate objects, were also slightly down on the previous year.

Due to the seasonality of our business model, the first half of a given year always contributes proportionally less to that year’s results. Significant profit contributions are then delivered in the second half of the year – particularly in the closing quarter.

With the acquisition of the DOMCURA Group at the end of July 2015, however, the results for the first half of the year now hold more significance than in the last few years. This is because the new subsidiary typically generates most of its earnings in the first three months of each year and subsequently records a loss from Q2 to Q4. The background to this is that the non-life insurance premiums are largely collected at the start of the year. However, the fourth quarter still remains the most important overall for the MLP Group.

## New clients

The activities to gain new clients continued to develop positively in the first six months of the year. As announced at the annual press conference, the MLP Group has adapted the way it counts clients to the enhanced Group structure. Since Q1 2016 we have differentiated in our reporting according to family clients served at MLP Finanzdienstleistungen AG and in the FERI Group, and according to corporate and institutional clients. These include clients in the field of occupational pension provision as well as institutional clients at FERI and sales partners at DOMCURA. On the basis of this definition, the Group served 512,800 family clients as at June 30 (December 31, 2015: 510,200). The gross number of newly acquired family clients increased by 12.7% to 8,900 in the first half of the year. In addition, the MLP Group provided its services for 18,600 corporate and institutional clients (December 31, 2015: 18,200).

## Results of operations

### Development of total revenue

In the time period from January to June 2016, the total revenue of the MLP Group increased to € 283.6 million (€ 244.9 million). Commission income, which increased by 17.1% to € 265.3 million (€ 226.5 million), made the greatest contribution to this. At € 10.3 million (€ 10.8 million), revenue from the interest rate business was slightly below the previous year's level. This was due to the ongoing downward trend in interest rates. Other revenue rose slightly to € 8.0 million (€ 7.6 million).

Examining the individual fields of consulting, we see significant growth in the field of non-life insurance towards the end of H1 with revenues increasing from € 25.2 million to € 68.7 million. Around € 43.6 million of this can be attributed to DOMCURA, which was acquired in 2015 and is continuing to display positive development. MLP also recorded gains in the field of health insurance, in which revenue increased by 5.0% to € 23.3 million (€ 22.2 million).

In the old-age provision segment, the brokered premium sum of new business increased by 4.5% to € 1,306.2 million in the first six months of the year (€ 1,249.8 million). Despite this increase in new business, revenue remained largely stable at € 81.6 million (€ 83.1 million). The main reason for this was a one-off positive effect in the first quarter of 2015. As communicated in the report on Q1 2015, this is due to rectification of an incorrect account settlement by a product partner.

In the field of wealth management, assets under management remained largely stable at € 29.2 billion at the end of H1 (March 31, 2016: € 29.3 billion). At € 79.3 million (€ 82.6 million), revenue remained slightly below the previous year's record level. The negative capital market development encountered at the end of the H1, caused in part by the UK's vote to exit the European Union, had an adverse effect.

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

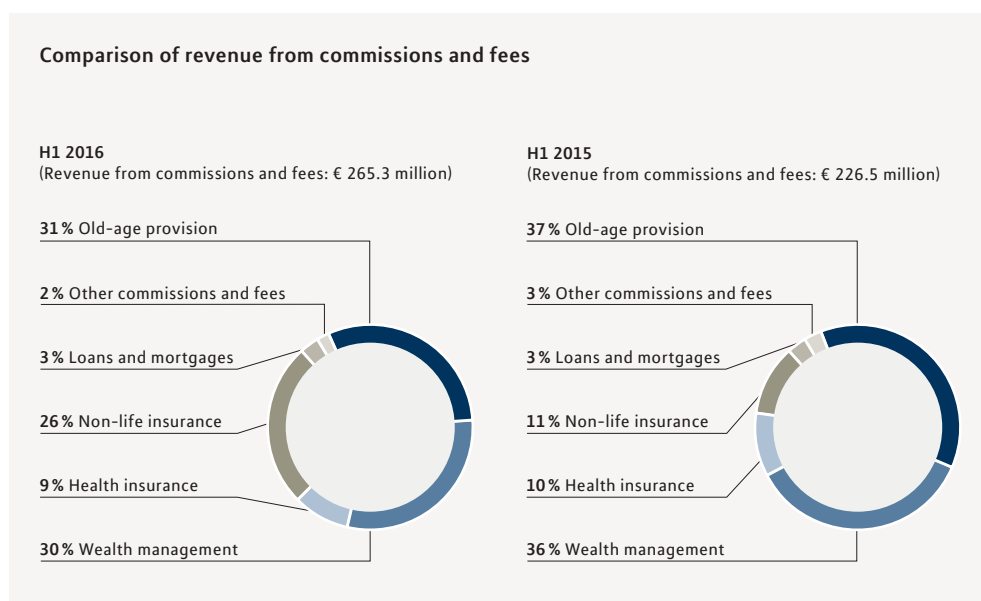
H1 2016	29.2
FY 2015	29.0
FY 2014	27.5

Following the record level set in the previous year, revenue from the loans and mortgages business reached € 6.8 million (€ 6.9 million). In this field of consulting, the requirements of the EU Mortgage Credit Directive that has been in place since March 2016 have had a negative impact on business throughout the market (please also refer to “Competition and regulation”). Other commissions and fees generated € 5.7 million, following € 6.4 million in the previous year. Property brokerage contributed € 4.1 million (€ 4.9 million) to this figure. The demand for real estate objects exceeded the current portfolio that MLP was able to provide for clients here. Set against this background, MLP included further property project partners over the course of the second quarter.

MLP Hyp once again recorded very pleasing business development in the first six months. MLP holds a 49.8 % stake in this company, which is operated as a joint venture together with mortgage broker Interhyp. At € 0.8 million (€ 0.8 million), the company earnings attributable to MLP remained at the previous year’s record level. This is reflected in the income statement under the item “Earnings from investments accounted for using the equity method”.

Considering only the second quarter, total revenue rose by 14.2 % to € 131.3 million (€ 115.0 million). Commission income rose by 14.6 % to € 121.7 million (€ 106.2 million). Revenue from the interest rate business remained virtually stable at € 5.1 million (€ 5.3 million). At € 4.4 million, other revenue was up on the previous year (€ 3.5 million). The increase to this item can essentially be attributed to the other revenue recorded in H1 by DOMCURA, which was not yet part of the MLP Group last year.

The breakdown by field of consulting shows a significant increase in revenue in the non-life insurance segment to € 18.0 million in the second quarter (€ 5.1 million). Around € 13 million of this figure is attributable to DOMCURA. Bucking the overall market trend, the old-age provision and health insurance segments also recorded significant gains, growing by 10.2 % to € 45.3 million (€ 41.1 million) and 9.6 % to € 11.4 million (€ 10.4 million) respectively. At € 3.2 million (€ 3.8 million), revenue from the loans and mortgages business remained below the previous year’s record level. Other consulting services generated € 3.3 million, following € 4.0 million in the previous year. € 2.7 million of this was attributable to the brokerage of mortgages (€ 3.2 million).



### Analysis of expenses

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

Set against the background of increased commission income, commission expenses increased to € 137.0 million in the first half of 2016 (€ 108.3 million). As is the case with commission income, the increase can essentially be attributed to the new subsidiary DOMCURA, which was acquired last year. At € 0.9 million, interest expenses remained at the same level as the previous year (€ 0.8 million). The total cost of sales thereby increased to € 137.9 million (€ 109.1 million).

Considering only the second quarter, the cost of sales increased to € 62.3 million (€ 50.4 million). Commission expenses increased to € 61.9 million as a result of higher commission income (€ 49.9 million). At € 0.4 million (€ 0.4 million), interest expenses remained virtually stable.

Loan loss provisions, which MLP has disclosed in a dedicated item since Q1 2016, were € 1.6 million at the end of H1 (€ 0.6 million). This is largely due to a higher write-down on receivables in the FERI segment in Q1. Administrative expenses (defined as the sum of personnel expenses, depreciation/amortisation and impairment, as well as other operating expenses) increased to € 137.1 million (€ 127.9 million). The administrative expenses at DOMCURA were € 10.5 million. Personnel expenses in the entire MLP Group amounted to € 60.6 million, following € 54.4 million in the previous year. Other operating expenses were € 70.2 million (€ 64.6 million). Both these increases can be attributed to expenses at DOMCURA, which was not yet part of the MLP Group last year. Depreciation/amortisation and impairments fell to € 6.3 million (€ 8.9 million). However, the previous year's figure included an impairment on software in Q1 2015 and impairment losses on a let building in Q2 2015.

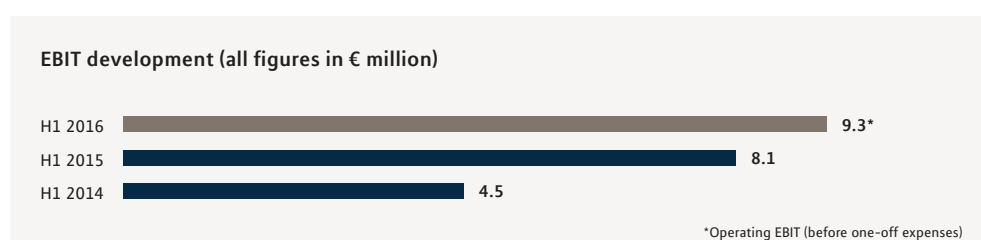
Considering only the second quarter, administrative expenses rose to € 70.0 million (€ 64.1 million) in Q2, one factor being the DOMCURA acquisition. Personnel expenses were € 30.7 million (€ 27.0 million). Other operating expenses amounted to € 36.1 million (€ 33.1 million). Due to the aforementioned effect of the previous year, depreciation/amortisation and impairments declined to € 3.2 million (€ 4.0 million).

As announced at the start of the year, one-off expenses of approximately € 15 million will be incurred through planned efficiency measures during the financial year 2016. MLP recorded € 1.6 million of these expenses in the first six months of the year, whereby the majority of this figure is disclosed under "Personnel expenses".

## Earnings development

Operating profit before interest and taxes (operating EBIT) increased to € 9.3 million in the first half of the year (€ 8.1 million). Including the one-off expenses of € –1.6 million, EBIT amounted to € 7.7 million (€ 8.1 million).

At € –0.4 million, the finance cost remained at the previous year's level (€ –0.3 million). The tax rate was 23.4 % (16.0 %). This increase can essentially be attributed to the revised earnings distribution resulting from the consolidation of DOMCURA. At € 5.6 million, net profit was below the previous year (€ 6.6 million).



Considering only the second quarter, operating EBIT is € 0.4 million (€ 1.1 million). Earnings were adversely affected by lower performance-based compensation in the field of wealth management compared to the previous year resulting from unfavourable capital market developments at the end of the second quarter. Including one-off expenses of € –1.4 million, EBIT was € –1.0 million (€ –1.1 million). The finance cost was € –0.3 million (€ –0.1 million). EBT therefore reached € –1.2 million (€ 0.9 million). Net profit was € –0.6 million (€ 1.3 million).

## Structure and changes in earnings in the Group

All figures in € million	1st half-year 2016	1st half-year 2015	Change in %
Total revenue	283.6	244.9	15.8 %
Gross profit <sup>1</sup>	145.7	135.8	7.3 %
Gross profit margin (%)	51.4 %	55.5 %	–
Operating EBIT <sup>2</sup>	9.3	8.1	14.8 %
Operating EBIT margin (%)	3.3 %	3.3 %	–
EBIT	7.7	8.1	–4.9 %
EBIT margin (%)	2.7 %	3.3 %	–
Finance cost	–0.4	–0.3	–33.3 %
EBT	7.3	7.8	–6.4 %
EBT margin (%)	2.6 %	3.2 %	–
Income taxes	–1.7	–1.3	30.8 %
Net profit	5.6	6.6	–15.2 %
Net margin (%)	2.0 %	2.7 %	–

<sup>1</sup> Definition: Gross profit results from total revenues less commission expenses and interest expenses

<sup>2</sup> Before one-off exceptional costs

You can find disclosures on major transactions with related parties in Note 19.



## Financial position

### Aims of financial management

You can find detailed information on the objectives of financial management in the 2015 Annual Report of the MLP Group at [www.mlp-annual-report.com](http://www.mlp-annual-report.com).

### Financing analysis

At present, we are not using any borrowed funds in the form of securities or promissory note bond issues to finance the Group long-term. Our non-current assets are financed in part by non-current liabilities. Current liabilities due to clients and banks in the banking business represent further refinancing funds that are generally available to us in the long term.

As of June 30, 2016, liabilities due to clients and financial institutions from the banking business of € 1,208.7 million (December 31, 2015: € 1,125.7 million) were offset on the assets side of the balance sheet by receivables due from clients and financial institutions in the banking business of € 1,151.4 million (December 31, 2015: € 1,143.0 million).

We did not perform any capital increases in the reporting period.

### Liquidity analysis

Cash flow from operating activities increased to € 64.4 from € 38.7 million in the same period of the previous year. Here, significant cash flows result from the deposit business with our clients and from the investment of these funds.

Cash flow from investing activities changed from € 3.6 million to € -20.0 million. A higher volume of new investments in time deposits were made in the reporting period than in the same period of the previous year.

### Condensed statement of cash flow

All figures in € million	2nd quarter 2016	2nd quarter 2015	1st half-year 2016	1st half-year 2015
Cash and cash equivalents at beginning of period	133.4	95.5	94.5	72.1
Cash flow from operating activities	-5.7	3.4	64.4	38.7
Cash flow from investing activities	11.2	15.6	-20.0	3.6
Cash flow from financing activities	-13.1	-18.3	-13.1	-18.3
Change in cash and cash equivalents	-7.6	0.6	31.3	24.0
Cash and cash equivalents at end of period	125.8	96.1	125.8	96.1

As at the end of H1, 2016, the MLP Group has cash and cash equivalents of around € 188 million. The liquidity situation therefore remains good. There are sufficient cash reserves available to the MLP Group. Alongside cash holdings, free lines of credit are also in place.

### Capital expenditure

The investment volume of the MLP Group was € 3.8 million in the first half of 2016 (€ 5.6 million). More than 80 % of all capital expenditure was invested in the financial services segment, focusing in particular on investments in software and IT. We financed all capital expenditure from cash flow.

### Net assets

#### Analysis of the asset and liability structure

On the reporting date, June 30, 2016, the balance sheet total of the MLP Group was € 1,774.9 million (December 31, 2015: € 1,752.7 million). On the assets side of the balance sheet, changes essentially affected the following items: Deferred tax assets increased to € 9.0 million (December 31, 2015: € 7.0 million). This was due to a scheduled adjustment to pension provisions that was already performed in the first quarter. Receivables from clients in the banking business increased slightly to € 577.0 million (December 31, 2015: € 542.7 million), largely as the result of an increase in own-resource loans. Receivables from banks in the banking business fell slightly to € 574.4 million (December 31, 2015: € 600.3 million) as a result of lower investments in daily deposits due on demand. Financial investments remained stable at € 146.2 million (December 31, 2015: € 147.9 million). Tax refund claims declined to € 12.8 million (December 31, 2015: € 14.9 million). This is attributable to a reimbursement of corporation tax overpayments. Other receivables and assets essentially comprise receivables from insurers for whom we broker insurance policies. Due to the typically strong year-end business, these increase considerably at the end of the year and then decline again during the course of the following financial year. As of June 30, 2016, this item decreased to € 83.3 million (December 31, 2015: € 112.5 million). Due to reporting-date related factors, cash and cash equivalents increased to € 125.8 million (December 31, 2015: € 77.5 million), reflecting a temporary increase in deposits at the Deutsche Bundesbank. This item is also positively influenced by transfers of profits from subsidiaries, while by contrast this was offset by factors such as dividend payments. Non-current assets held for sale and disposal groups increased to € 8.2 million (December 31, 2015: € 6.0 million). This increase reflects the intended sale of a sub-subsidiary.

#### Assets as of June 30, 2016

All figures in € million	June 30, 2016	Dec 31, 2015	Change in %
Intangible assets	171.8	174.5	-1.5%
Property, plant and equipment	64.1	65.7	-2.4%
Investment property	0.0	0.0	-
Investments accounted for using the equity method	2.4	3.5	-31.4%
Deferred tax assets	9.0	7.0	28.6%
Receivables from clients in the banking business	577.0	542.7	6.3%
Receivables from banks in the banking business	574.4	600.3	-4.3%
Financial assets	146.2	147.9	-1.1%
Tax refund claims	12.8	14.9	-14.1%
Other receivables and assets	83.3	112.5	-26.0%
Cash and cash equivalents	125.8	77.5	62.3%
Non-current assets held for sale	8.2	6.0	36.7%
<b>Total</b>	<b>1,774.9</b>	<b>1,752.7</b>	<b>1.3%</b>

On the reporting date, June 30, 2016, the shareholders' equity of the MLP Group was € 372.1 million (December 31, 2015: € 385.8 million). This decrease can essentially be attributed to the € 13.1 million total dividend payout to our shareholders in June of this year. The balance sheet equity ratio on the reporting date was 21.0% (December 31, 2015: 22.0%).

Provisions were reduced to € 75.8 million (December 31, 2015: € 86.5 million). This decrease is mainly due to the reduction in provisions for client servicing commission after this was paid on schedule in the course of the second quarter. Liabilities due to clients in the banking business increased slightly to € 1,178.4 million (December 31, 2015: € 1,102.6 million) and reflect a further increase in client deposits. Liabilities due to banks in the banking business increased to € 30.3 million (December 31, 2015: € 23.1 million). This was essentially due to increased refinancing investments. Other liabilities fell to € 102.1 million (December 31, 2015: € 140.2 million). Among other things, this reflects the lower commission claims of our consultants, as well as lower liabilities from the underwriting business. Due to our typically strong year-end business, the commission claims of our consultants increase markedly on the balance sheet date, December 31, and then decline again in the subsequent quarters.

#### Liabilities and shareholders' equity as of June 30, 2016

All figures in € million	June 30, 2016	Dec 31, 2015	Change in %
Shareholders' equity	372.1	385.8	-3.6%
Provisions	75.8	86.5	-12.4%
Deferred tax liabilities	10.5	10.5	0.0%
Liabilities due to clients in the banking business	1,178.4	1,102.6	6.9%
Liabilities due to banks in the banking business	30.3	23.1	31.2%
Tax liabilities	4.6	4.0	15.0%
Other liabilities	102.1	140.2	-27.2%
Liabilities related to non-current assets held for sale and disposal groups	1.2	0.0	>100.0%
<b>Total</b>	<b>1,774.9</b>	<b>1,752.7</b>	<b>1.3%</b>

#### Comparison of the actual and forecast development of business

Following on from the first six months of 2016, we remain committed to the statement made in the Forecast section of our 2015 Annual Report that we will achieve a slight increase in operating EBIT (before one-off expenses) for the financial year 2016 in comparison with 2015.

In the first half of 2016, sales revenues displayed slightly positive development in the health insurance segment and remained largely stable in the old-age provision segment. The non-life insurance segment, on the other hand, enjoyed a significant increase. The development displayed by these fields of consulting was therefore within the scope of our expectations for the year. Revenue in the wealth management segment is still slightly below the previous year. Nevertheless, we still anticipate a slight increase for the year.

Administrative expenses developed in line with our budget. The earnings trend therefore corresponds to our expectations.

## Segment report

The financial services segment reflects revenue from all fields of consulting – i.e. old-age provision, health and non-life insurance, wealth management and loans & mortgages. The FERI segment primarily generates revenue from the wealth management field of consulting, while the DOMCURA segment generates most of its revenue from the non-life insurance business. You can find a detailed description of the individual segments in the 2015 Annual Report of the MLP Group at [www.mlp-annual-report.com](http://www.mlp-annual-report.com) “Economic report”/“Segment report”.

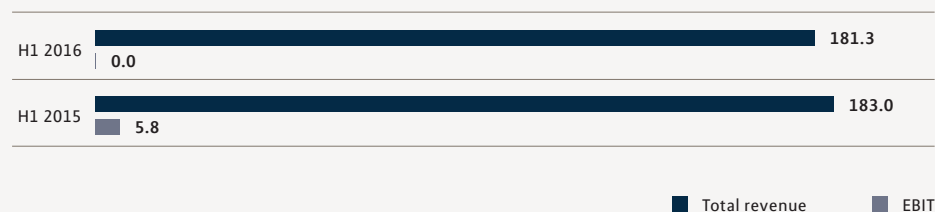
### Financial services segment

At € 181.3 million, total revenue in the financial services segment remained at the same level as the previous year (€ 183.0 million). However, the previous year's figure was positively influenced by the aforementioned special effect in the old-age provision. Revenue was € 175.7 million (€ 177.4 million). At € 5.6 million, other revenue remained unchanged (€ 5.6 million).

Commission expenses increased to € 76.3 million (€ 74.0 million). Among other factors, this increase can be attributed to effects of the remuneration model introduced last year within the scope of our recruiting measures. At € 0.9 million, interest expenses remained virtually stable (€ 0.8 million). Personnel expenses were € 38.8 million (€ 37.8 million). This figure includes portions of the special expenses generated within the scope of our efficiency measures. Depreciation and impairment expenses declined to € 3.8 million (€ 5.9 million). The previous year's higher figure was due to a higher one-time write-down. At € 61.3 million, other operating expenses were only slightly above the previous year (€ 59.0 million). EBIT declined to € 0.0 million (€ 5.8 million). The previous year's figure was positively influenced by the aforementioned special effect in the old-age provision segment. However, this was offset by the approximately € 1.6 million in costs for the measures implemented within the scope of the efficiency programme in the first half of the year. The finance cost was € -0.3 million (€ -0.2 million). Earnings before tax were therefore € -0.3 million (€ 5.7 million).

Considering only the second quarter, total revenue rose by 4.9 % to € 87.5 million (€ 83.4 million). This can be attributed to the higher sales revenue, which increased from € 81.1 million to € 84.7 million, and in particular to higher revenues in the old-age provision and health insurance segments. Personnel expenses increased as described to € 19.6 million (€ 18.5 million). Other operating expenses were € 31.4 million, following € 29.9 million in the previous year. Largely influenced by the one-off expenses associated with the efficiency programme, EBIT reached € -1.7 million in the second quarter (€ 1.0 million). The finance cost was € -0.3 million, following € -0.1 million in the previous year. EBT was therefore € -2.0 million (€ 0.9 million).

#### Total revenue and EBIT in the financial services segment (all figures in € million)



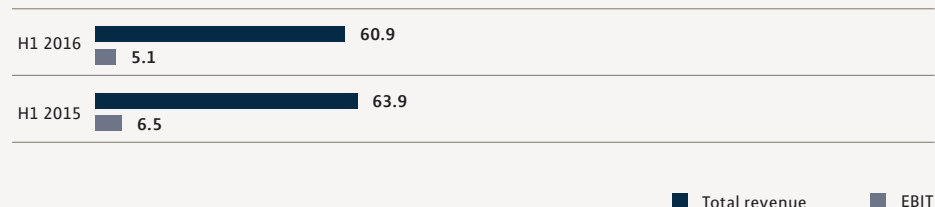
#### FERI segment

The FERI segment represents the activities of the FERI Group. Revenue is primarily generated in this segment from the wealth management field of consulting.

Total revenue in the FERI segment declined slightly to € 60.9 million in the first six months (€ 63.9 million). Due to capital market developments, fewer performance fees (performance-based remuneration for client portfolio performance) were collected in the first half of the year than in the same period of the previous year. Commission expenses declined to € 34.5 million (€ 35.8 million). Loan loss provisions were € 0.7 million (€ 0.0 million) and can be attributed to a write-down on receivables in the first quarter. At € 13.8 million, personnel expenses were also slightly below the previous year's figure (€ 14.8 million). In terms of administrative expenses, which otherwise remained the same, EBIT declined to € 5.1 million (€ 6.5 million) due to lower revenue. The finance cost increased from € -0.1 million to € 0.2 million. EBT was € 5.3 million (€ 6.4 million).

Considering only the second quarter, at € 31.5 million total revenue was only slightly below the previous year (€ 32.5 million). Commission expenses declined to € 17.6 million (€ 18.2 million). Due to lower variable personnel costs, personnel expenses were € 7.1 million, following € 7.8 million in the previous year. Other operating expenses were € 3.1 million, following € 3.2 million in the previous year. Overall, EBIT increased significantly to € 3.1 million (€ 2.8 million). Taking into account the slightly higher finance cost of € 0.2 million (€ 0.0 million), EBT was € 3.3 million (€ 2.8 million).

#### Total revenue and EBIT in the FERI segment (all figures in € million)

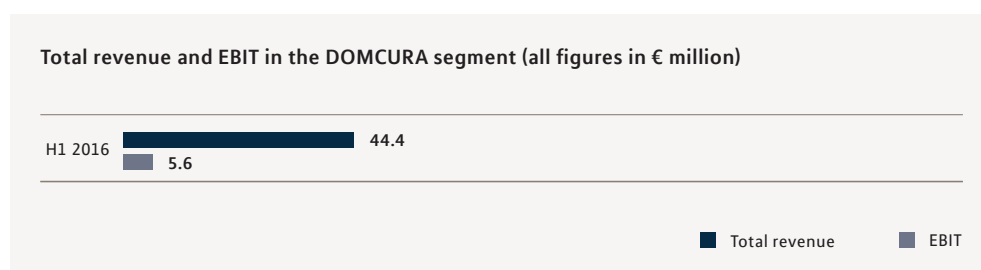


### DOMCURA segment

The DOMCURA segment primarily generates revenue from the brokering of non-life insurance. DOMCURA's business model is characterised by a high degree of seasonality. Accordingly, the subsidiary records high sales revenue and comparably high earnings in the first quarter of each year. This is then followed by a loss in Q2 to Q4. Since DOMCURA was only included in the Group's scope of consolidation at the end of the Q3, no comparative figures from 2015 are available for H1.

Sales revenues in the first six months of the year were € 43.6 million. This primarily reflects the premium volumes received. Other revenue was € 0.8 million. Total revenue therefore reached € 44.4 million. Commission expenses were € 28.2 million. These are essentially accrued as variable remuneration for brokerage services. Administrative expenses at DOMCURA were € 10.5 million. € 6.5 million thereof are attributable to personnel expenses. Other operating expenses were € 3.4 million. EBIT reached € 5.6 million. With a finance cost of € 0.0 million, EBT was also € 5.6 million.

Considering only the second quarter, revenue reached € 13.1 million. With other revenue of € 0.6 million, total revenue was € 13.6 million. Commission expenses were € 9.2 million. Other operating expenses were € 1.7 million. Due to the aforementioned seasonality in the business model, EBIT reached € -0.8 million in the second quarter. EBT was also € -0.8 million.



### Holding segment

The Holding segment does not have active operations. Total revenue in the Holding segment in the first six months was € 5.0 million (€ 5.5 million), resulting essentially from the letting of buildings to affiliated companies. Personnel expenses fell slightly to € 1.6 million (€ 1.8 million). Following a one-off higher write-down due to the revaluation of a property in the previous year, depreciation and impairment expenses declined to € 1.0 million (€ 2.1 million). At € 5.4 million, other operating expenses were also slightly below the previous year's level (€ 5.6 million). EBIT improved to € -3.0 million, following € -4.1 million in the previous year. EBT reached € -3.3 million (€ -4.3 million).

Considering only the second quarter, total revenue was € 2.5 million, following € 2.8 million in the previous year. Personnel expenses were € 0.6 million (€ 0.8 million). Due to the aforementioned effect, depreciation and impairment expenses declined to € 0.5 million (€ 1.6 million). Other operating expenses remained stable at € 2.9 million (€ 2.9 million). EBIT improved to € -1.5 million (€ -2.7 million). EBT reached € -1.7 million, following € -2.8 million in the previous year.

## Employees and self-employed client consultants

As MLP is a knowledge-based service provider, qualified and motivated employees and consultants represent the most important foundation for sustainable company success. The focus is therefore on continuous further development of personnel work, qualifications and further training, as well as recruiting new consultants.

The number of employees increased in the reporting period by around 17.0% to 1,799 (1,537) in the reporting year – largely due to the acquisition of the DOMCURA Group. Adjusted for the acquisition of DOMCURA, the figure remained virtually constant at 1,533.

### Employees by segment (without MLP consultants)

Segment	June 30, 2016	June 30, 2015
Financial Services	1,289	1,295
FERI	237	235
Holding	7	7
<b>Total (excl. DOMCURA)</b>	<b>1,533</b>	<b>1,537</b>
DOMCURA	266	–
<b>Total (incl. DOMCURA)</b>	<b>1,799</b>	<b>–</b>

Due to the normal seasonal dip, particularly during the first three months, the number of self-employed client consultants at the end of the first half of the year was down slightly at 1,925 (December 31, 2015: 1,942). However, it was still higher than the comparable number in the same period of the previous year (June 30, 2015: 1,913). At 8.4%, the consultant turnover rate remained below our maximum threshold of 12% (+/-2%).

Following a significant increase in applications in the field of financial consulting in the first half of the previous year, this figure remained largely stable at the increased level in the current reporting period.

As of June 30, 2016, MLP operated 151 branch offices (December 31, 2015: 156).

### EVENTS SUBSEQUENT TO THE REPORTING DATE

There were no appreciable events after the balance sheet date affecting the net assets, financial position and results of operations of the MLP Group.

## RISK AND OPPORTUNITY REPORT

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

There were no significant changes to the risk or opportunity situation of the MLP Group in the reporting period. There were no extraordinary charges within the scope of our counterparty default, market price and liquidity risks, operational risks or other risks in the first half of 2016. The MLP Group has sufficient liquid funds at its disposal. As at June 30, 2016 our core capital ratio amounted to 13.25 % (December 31, 2015: 14.3 %) and therefore remains above the 8 % stipulated by the supervisory regulations plus 0.625 % capital conservation buffer. This decline can be attributed to the payment of dividends to our shareholders. There are currently no identifiable risks that threaten the going-concern of the MLP Group.

You can find a detailed presentation of the business risks and opportunities, as well as a detailed description of our risk and opportunity management system in our risk and opportunity report in the 2015 Annual Report of the MLP Group.

## FORECAST

### Future overall economic development

There were no significant changes to our expectations for future overall economic development in the reporting period. You can find a detailed presentation on this in the Forecast included in the 2015 Annual Report of the MLP Group.

### Future industry situation and competitive environment

There were no significant changes to our expectations regarding the future industry situation or competitive environment in the reporting period. You can find a detailed presentation on this in the Forecast included in the 2015 Annual Report of the MLP Group.

The reservations regarding signing long-term contracts are likely to remain a burden throughout the old-age provision segment, not least due to the further reduction to the maximum technical interest rate, which is due to come into force on January 1, 2017. The private health insurance segment is also unlikely to see any noticeable improvements in market conditions throughout the rest of the financial year. As before, wealth management will continue to face risks due to market corrections in the second half of the year. The non-life insurance business will become even more important in the market.



## Anticipated business development

Development in the first six months of the financial year was in line with expectations. Following on from the first half of the year, we remain committed to the statements made in the forecast section of the 2015 Annual Report. You can find details on our forecast in the Annual Report of the MLP Group at [www.mlp-annual-report.com](http://www.mlp-annual-report.com)

Based on this, we still expect to generate new business and sales revenues in the old-age provision segment in 2016 that are at the same level as 2015. We are still anticipating a slightly upward trend in both the wealth management and health insurance segments. In the non-life insurance segment, we are still anticipating a pronounced increase in revenue due to DOMCURA being consolidated for a full financial year for the first time.

As communicated in our forecast at the start of the year, administrative expenses will be affected by one-off special expenses of around € 15 million in the financial year 2016, within the scope of our efficiency measures. The aim of these measures remains to continue to significantly reduce costs in the financial year 2017 and the following years, as well as to achieve a highly positive EBIT effect in comparison with the financial year 2015. We are anticipating total administrative expenses adjusted for one-off expenses of around € 277 million for 2016. Including one-off expenses, we anticipate total administrative expenses of around € 292 million.

Taking into consideration anticipated sales revenue and costs, MLP expects to record a slight increase in operating EBIT (before one-off expenses) for the financial year 2016.

# Income statement and statement of comprehensive income

## Income statement for the period from January 1 to June 30, 2016

All figures in €'000	Notes	2nd quarter 2016	2nd quarter 2015	1st half-year 2016	1st half-year 2015 <sup>2</sup>
Revenue	(6)	126,842	111,453	275,657	237,321
Other revenue		4,422	3,522	7,991	7,621
<b>Total revenue</b>		<b>131,264</b>	<b>114,976</b>	<b>283,648</b>	<b>244,942</b>
Commission expenses	(7)	-61,898	-49,933	-137,016	-108,303
Interest expenses		-444	-438	-926	-841
Loan loss provisions		-406	104	-1,649	-647
Personnel expenses	(8)	-30,663	-27,027	-60,631	-54,368
Depreciation and impairments	(9)	-3,157	-3,987	-6,300	-8,879
Other operating expenses	(10)	-36,122	-33,090	-70,192	-64,627
Earnings from investments accounted for using the equity method		463	471	804	833
<b>Earnings before interest and tax (EBIT)</b>		<b>-963</b>	<b>1,076</b>	<b>7,737</b>	<b>8,110</b>
Other interest and similar income		392	82	518	203
Other interest and similar expenses		-677	-209	-948	-506
<b>Finance cost</b>	(11)	<b>-286</b>	<b>-127</b>	<b>-429</b>	<b>-304</b>
<b>Earnings before tax (EBT)</b>		<b>-1,249</b>	<b>949</b>	<b>7,308</b>	<b>7,806</b>
Income taxes		684	377	-1,713	-1,250
<b>Net profit</b>		<b>-565</b>	<b>1,326</b>	<b>5,594</b>	<b>6,556</b>
Of which attributable to					
owners of the parent company		-565	1,326	5,594	6,556
<b>Earnings per share in €<sup>1</sup></b>					
basic/diluted		-0.01	0.01	0.05	0.06

<sup>1</sup> Basis of calculation: Average number of ordinary shares as of June 30, 2016: 109,213,274.

<sup>2</sup> Previous year's figures adjusted. The adjustments are disclosed under Note 3.

## Statement of comprehensive income for the period from January 1 to June 30, 2016

All figures in €'000	2nd quarter 2016	2nd quarter 2015	1st half-year 2016	1st half-year 2015
<b>Net profit</b>	<b>-565</b>	<b>1,326</b>	<b>5,594</b>	<b>6,556</b>
Gains/losses due to the revaluation of defined benefit obligations	-3,151	5,490	-8,316	-
Deferred taxes on non-reclassifiable gains/losses	915	-1,603	2,428	-
<b>Non-reclassifiable gains/losses</b>	<b>-2,237</b>	<b>3,888</b>	<b>-5,889</b>	<b>-</b>
Gains/losses from changes in the fair value of available-for-sale securities	171	-863	-314	-228
Deferred taxes on reclassifiable gains/losses	-75	296	45	113
<b>Reclassifiable gains/losses</b>	<b>96</b>	<b>-567</b>	<b>-269</b>	<b>-115</b>
<b>Other comprehensive income</b>	<b>-2,140</b>	<b>3,321</b>	<b>-6,158</b>	<b>-115</b>
<b>Total comprehensive income</b>	<b>-2,705</b>	<b>4,647</b>	<b>-564</b>	<b>6,441</b>
Of which attributable to				
owners of the parent company	-2,705	4,647	-564	6,441

## Statement of financial position

### Assets as of June 30, 2016

All figures in €'000	Notes	June 30, 2016	Dec 31, 2015
Intangible assets		171,806	174,504
Property, plant and equipment		64,052	65,745
Investments accounted for using the equity method		2,448	3,481
Deferred tax assets		8,965	7,033
Receivables from clients in the banking business		576,956	542,696
Receivables from banks in the banking business		574,420	600,339
Financial assets	(12)	146,164	147,916
Tax refund claims		12,836	14,893
Other receivables and assets	(13)	83,285	112,531
Cash and cash equivalents		125,799	77,540
Non-current assets held for sale and disposal groups	(17)	8,182	6,040
<b>Total</b>		<b>1,774,915</b>	<b>1,752,719</b>

### Liabilities and shareholders' equity as of June 30, 2016

All figures in €'000	Notes	June 30, 2016	Dec 31, 2015
Shareholders' equity	(14)	372,069	385,753
Provisions		75,847	86,536
Deferred tax liabilities		10,489	10,549
Liabilities due to clients in the banking business		1,178,435	1,102,569
Liabilities due to banks in the banking business		30,260	23,095
Tax liabilities		4,575	4,006
Other liabilities	(13)	102,086	140,211
Liabilities in connection with non-current assets held for sale and disposal groups	(17)	1,153	–
<b>Total</b>		<b>1,774,915</b>	<b>1,752,719</b>

## Condensed statement of cash flow

### Condensed statement of cash flow for the period from January 1 to June 30, 2016

All figures in €'000	1st half-year 2016	1st half-year 2015
Cash flow from operating activities	64,375	38,746
Cash flow from investing activities	-19,997	3,598
Cash flow from financing activities	-13,120	-18,339
<b>Change in cash and cash equivalents</b>	<b>31,258</b>	<b>24,005</b>
Cash and cash equivalents at the end of period	125,799	96,123

### Condensed statement of cash flow for the period from April 1 to June 30, 2016

All figures in €'000	2nd quarter 2016	2nd quarter 2015
Cash flow from operating activities	-5,657	3,361
Cash flow from investing activities	11,180	15,585
Cash flow from financing activities	-13,120	-18,339
<b>Change in cash and cash equivalents</b>	<b>-7,598</b>	<b>607</b>
Cash and cash equivalents at the end of period	125,799	96,123

Further details on the statement of cash flow appear in Note 15.

## Statement of changes in equity

### Statement of changes in equity for the period from January 1 to June 30, 2016

All figures in €'000	Equity attributable to MLP AG shareholders					
	Share capital	Capital reserves	Gains/losses from changes in the fair value of available-for-sale securities <sup>1</sup>	Revaluation gains/losses related to defined benefit obligations after taxes	Retained earnings	Total shareholders' equity
As of Jan 1, 2015	107,878	142,184	1,460	-10,730	136,004	376,795
Dividend	-	-	-	-	-18,339	-18,339
Transactions with owners	-	-	-	-	-18,339	-18,339
Net profit	-	-	-	-	6,556	6,556
Other comprehensive income	-	-	-115	-	-	-115
Total comprehensive income	-	-	-115	-	6,556	6,441
As of June 30, 2015	107,878	142,184	1,346	-10,730	124,220	364,897
As of Jan 1, 2016	109,335	146,727	1,212	-8,968	137,448	385,753
Dividend	-	-	-	-	-13,120	-13,120
Transactions with owners	-	-	-	-	-13,120	-13,120
Net profit	-	-	-	-	5,594	5,594
Other comprehensive income	-	-	-269	-5,889	-	-6,158
Total comprehensive income	-	-	-269	-5,889	5,594	-564
As of June 30, 2016	109,335	146,727	943	-14,856	129,922	372,069

<sup>1</sup> Reclassifiable gains/losses.

# Notes to the interim Group financial statements

## 1 Information about the company

The consolidated financial statements were prepared by MLP AG, Wiesloch, Germany, the parent company of the MLP Group. MLP AG is listed in the Mannheim Commercial Register under the number HRB 332697 at the address Alte Heerstraße 40, 69168 Wiesloch, Germany.

Since it was founded in 1971, MLP has been operating as a broker and adviser for academics and other discerning clients in the fields of old-age provision including occupational pension provision, healthcare provision, non-life insurance, financing, wealth management and banking services.

## 2 Principles governing the preparation of the financial statements

The interim financial report has been prepared in line with the regulations set out in IAS 34 (Interim financial reporting). It is based on the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as applicable within the European Union (EU). In accordance with the provisions of IAS 34, the scope of the report has been reduced compared to the consolidated financial statements as of December 31, 2015.

Except for the changes presented in Note 3, the condensed consolidated interim financial statements are based on the accounting and valuation methods as well as the consolidation principles that were applied to the Group financial statements for the financial year 2015. These are presented in the Group notes of the Annual Report 2015 that can be downloaded from the company's website ([www.mlp-ag.de](http://www.mlp-ag.de)).

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

## 3 Adjustments to the accounting policies

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

Since January 1, 2016, MLP has disclosed allowances for losses as a separate item in the income statement – and thereby outside administrative expenses. Depreciation and impairment which were previously contained in administrative expenses are now disclosed under loan loss provisions. The following table shows the adjusted figures from the previous year:

**Consolidated income statement**

All figures in €'000	1st half-year 2015		
	Before adjustment	Adjustment	After adjustment
Other operating income	9,225	-1,604	7,621
Total revenue	246,546	-1,604	244,942
Loan loss provisions	0	-647	-647
Other operating expenses	-66,878	2,251	-64,627

In the financial year 2016, the following new or amended accounting principles from the IFRS standards are to be used for MLP for the first time:

- Amendments to IFRS 11 “Acquisition of an Interest in a Joint Operation”
- Amendments to IAS 1 “Presentation of Financial Statements”
- Amendments to IAS 27 “Separate Financial Statements (Equity Method)”
- Amendments to IAS 16 and IAS 38 “Clarification of Acceptable Methods of Depreciation and Amortisation”
- Revisions to the IFRS 2012–2014

The amendments to IAS 1 could result in revised explanatory notes to the consolidated financial statements. The other amendments have no significant effects on the presentation of the net assets, financial position and results of operations of the Group.

**4 Seasonal influences on the business operations**

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

## 5 Reportable business segments

There were no significant changes compared to December 31, 2015.

### Information regarding reportable business segments (quarterly comparison)

All figures in €'000	Financial services	
	2nd quarter 2016	2nd quarter 2015
Revenue	84,656	81,066
of which total inter-segment revenue	867	794
Other revenue	2,882	2,363
of which total inter-segment revenue	479	497
<b>Total revenue</b>	<b>87,539</b>	<b>83,429</b>
Commission expenses	-35,998	-32,485
Interest expenses	-447	-438
Loan loss provisions	-347	263
Personnel expenses	-19,630	-18,452
Depreciation and impairment	-1,917	-1,933
Other operating expenses	-31,365	-29,880
Earnings from investments accounted for using the equity method	463	471
<b>Segment earnings before interest and tax (EBIT)</b>	<b>-1,702</b>	<b>975</b>
Other interest and similar income	-9	34
Other interest and similar expenses	-265	-97
<b>Finance cost</b>	<b>-274</b>	<b>-63</b>
<b>Earnings before tax (EBT)</b>	<b>-1,976</b>	<b>911</b>
Income taxes		
<b>Net profit</b>		



	FERI		DOMCURA		Holding		Consolidation		Total	
	2nd quarter 2016	2nd quarter 2015	2nd quarter 2016	2nd quarter 2015	2nd quarter 2016	2nd quarter 2015	2nd quarter 2016	2nd quarter 2015	2nd quarter 2016	2nd quarter 2015
	30,180	31,297	13,062	–	–	–	–1,057	–910	126,842	111,453
	190	116	–	–	–	–	–1,057	–910	–	–
	1,274	1,203	568	–	2,505	2,784	–2,808	–2,828	4,422	3,522
	7	–	–	–	2,322	2,331	–2,808	–2,828	–	–
	<b>31,454</b>	<b>32,500</b>	<b>13,630</b>	–	<b>2,505</b>	<b>2,784</b>	<b>–3,864</b>	<b>–3,738</b>	<b>131,264</b>	<b>114,976</b>
	–17,576	–18,212	–9,177	–	–	–	853	765	–61,898	–49,933
	–	–	–	–	–	–	3	1	–444	–438
	–39	–22	–20	–	–	–137	–	–	–406	104
	–7,148	–7,810	–3,242	–	–642	–766	–	–	–30,663	–27,027
	–434	–432	–331	–	–475	–1,622	–	–	–3,157	–3,987
	–3,114	–3,180	–1,653	–	–2,906	–2,946	2,916	2,917	–36,122	–33,090
	–	–	–	–	–	–	–	–	463	471
	<b>3,143</b>	<b>2,844</b>	<b>–794</b>	–	<b>–1,518</b>	<b>–2,687</b>	<b>–92</b>	<b>–56</b>	<b>–963</b>	<b>1,076</b>
	241	9	7	–	156	41	–3	–2	392	82
	–67	–46	–1	–	–371	–111	27	45	–677	–209
	174	–36	6	–	–215	–70	24	43	–286	–127
	<b>3,317</b>	<b>2,807</b>	<b>–789</b>	–	<b>–1,733</b>	<b>–2,757</b>	<b>–68</b>	<b>–13</b>	<b>–1,249</b>	<b>949</b>
									684	377
									–565	1,326

## Information regarding reportable business segments (half-yearly comparison)

All figures in €'000	Financial services	
	1st half-year 2016	1st half year 2015 <sup>1</sup>
Revenue	175,691	177,399
of which total inter-segment revenue	2,009	1,584
Other revenue	5,598	5,598
of which total inter-segment revenue	961	991
<b>Total revenue</b>	<b>181,289</b>	<b>182,997</b>
Commission expenses	-76,275	-74,029
Interest expenses	-933	-843
Loan loss provisions	-919	-488
Personnel expenses	-38,773	-37,763
Depreciation and impairment	-3,821	-5,879
Other operating expenses	-61,325	-59,015
Earnings from investments accounted for using the equity method	804	833
<b>Segment earnings before interest and tax (EBIT)</b>	<b>46</b>	<b>5,813</b>
Other interest and similar income	98	132
Other interest and similar expenses	-429	-293
<b>Finance cost</b>	<b>-331</b>	<b>-161</b>
<b>Earnings before tax (EBT)</b>	<b>-285</b>	<b>5,652</b>
Income taxes		
<b>Net profit</b>		

<sup>1</sup> Previous year's figures adjusted. The adjustments are disclosed under Note 3.

	FERI		DOMCURA		Holding		Consolidation		Total	
	1st half-year 2016	1st half year 2015 <sup>1</sup>	1st half-year 2016	1st half year 2015	1st half-year 2016	1st half year 2015 <sup>1</sup>	1st half-year 2016	1st half year 2015	1st half-year 2016	1st half year 2015 <sup>1</sup>
	58,677	61,722	43,563	–	–	–	–2,274	–1,800	275,657	237,321
	265	216	–	–	–	–	–2,274	–1,800	–	–
	2,179	2,146	814	–	5,013	5,529	–5,612	–5,652	7,991	7,621
	7	–	–	–	4,645	4,661	–5,612	–5,652	–	–
	<b>60,856</b>	<b>63,867</b>	<b>44,377</b>	–	<b>5,013</b>	<b>5,529</b>	<b>–7,886</b>	<b>–7,452</b>	<b>283,648</b>	<b>244,942</b>
	–34,480	–35,790	–28,200	–	–	–	1,938	1,516	–137,016	–108,303
	–	–	–	–	–	–	7	1	–926	–841
	–715	–22	–15	–	–	–137	–	–	–1,649	–647
	–13,771	–14,830	–6,524	–	–1,563	–1,775	–	–	–60,631	–54,368
	–870	–870	–649	–	–960	–2,130	–	–	–6,300	–8,879
	–5,913	–5,886	–3,390	–	–5,439	–5,636	5,876	5,910	–70,192	–64,627
	–	–	–	–	–	–	–	–	804	833
	5,107	6,470	5,599	–	–2,950	–4,148	–65	–25	7,737	8,110
	252	17	26	–	174	80	–32	–27	518	203
	–91	–87	–3	–	–500	–232	75	106	–948	–506
	160	–70	23	–	–325	–152	43	79	–429	–304
	5,267	6,400	5,622	–	–3,275	–4,300	–22	54	7,308	7,806
									–1,713	–1,250
									5,594	6,556

## 6 Revenue

All figures in €'000	2nd quarter 2016	2nd quarter 2015	1st half-year 2016	1st half-year 2015
Old-age provision	45,323	41,086	81,560	83,119
Wealth management	40,403	41,871	79,327	82,570
Non-life insurance	18,021	5,123	68,674	25,236
Health insurance	11,439	10,390	23,251	22,203
Loans and mortgages	3,229	3,759	6,808	6,913
Other commission and fees	3,301	3,952	5,708	6,448
<b>Total commission income</b>	<b>121,716</b>	<b>106,181</b>	<b>265,328</b>	<b>226,489</b>
<b>Interest income</b>	<b>5,126</b>	<b>5,273</b>	<b>10,329</b>	<b>10,832</b>
<b>Total</b>	<b>126,842</b>	<b>111,453</b>	<b>275,657</b>	<b>237,321</b>

## 7 Commission expenses

In the period from January 1 to June 30, 2016 to commission expenses rose from € 108,303 thsd to € 137,016 thsd compared to the same period of the previous year. This item comprises commission payments and other remuneration components for the self-employed MLP consultants as well as the remuneration of sales partners at the other subsidiaries. The increase is mainly due to the inclusion of DOMCURA for the first time. For further details, please refer to the “Results of operations” section in the Group interim management report.

## 8 Personnel expenses/Number of employees

Personnel expenses rose in the period from January 1 to June 30, 2016 compared to the same period of the previous year from € 54,368 thsd to € 60,631 thsd. For further details, please refer to the “Employees and self-employed client consultants” section of the Group interim management report.

As at June 30, 2016, the number of employees by operating segment are as follows:

	June 30, 2016			June 30, 2015		
		of which executive employees	of which mar- ginal part-time employees		of which executive employees	of which mar- ginal part-time employees
Financial services	1,289	26	54	1,295	30	77
FERI	237	8	58	235	8	58
DOMCURA	266	6	22	–	–	–
Holding	7	2	–	7	2	–
<b>Total</b>	<b>1,799</b>	<b>42</b>	<b>134</b>	<b>1,537</b>	<b>40</b>	<b>135</b>

## 9 Depreciation and impairments

The depreciation and impairments in the previous year include a non-scheduled writedown on intangible assets amounting to € 1,500 thsd and an impairment amounting to € 1,116 thsd on a property, which was shown as an „investment property“, in the previous year.

All figures in €'000	2nd quarter 2016	2nd quarter 2015	1st half-year 2016	1st half-year 2015
Intangible assets	1,666	1,484	3,332	3,527
Property, plant and equipment	1,491	1,375	2,969	2,710
Investment property	–	13	–	25
<b>Depreciation</b>	<b>3,157</b>	<b>2,871</b>	<b>6,300</b>	<b>6,262</b>
Intangible assets	–	–	–	1,500
Investment property	–	1,116	–	1,116
<b>Impairments</b>	<b>–</b>	<b>1,116</b>	<b>–</b>	<b>2,616</b>
<b>Total</b>	<b>3,157</b>	<b>3,987</b>	<b>6,300</b>	<b>8,879</b>

## 10 Other operating expenses

All figures in €'000	2nd quarter 2016	2nd quarter 2015	1st half-year 2016	1st half-year 2015 <sup>1</sup>
IT operations	12,108	11,598	23,613	23,459
Rental and leasing	3,486	3,270	6,954	6,453
Consultancy	3,306	3,307	6,075	5,367
Administration operations	2,996	2,851	5,851	5,636
External services – banking business	1,935	1,664	3,722	3,234
Representation and advertising	1,720	1,698	3,673	3,175
Other external services	1,798	1,132	3,538	2,086
Travel expenses	1,857	1,198	2,571	1,951
Premiums and fees	1,148	865	2,324	1,897
Training and further education	819	1,678	1,910	2,906
Insurance	824	666	1,486	1,326
Expenses for commercial agents	872	633	1,387	1,017
Entertainment	485	489	1,270	1,373
Maintenance	469	343	782	699
Other employee-related expenses	357	288	639	622
Audit	281	241	541	480
Goodwill payments	321	154	512	302
Remuneration for members of the Supervisory Board	207	199	412	402
Sundry other operating expenses	1,133	815	2,931	2,240
<b>Total</b>	<b>36,122</b>	<b>33,090</b>	<b>70,192</b>	<b>64,627</b>

<sup>1</sup> Previous year's figures adjusted. The adjustments are disclosed under Note 3.

The costs of IT operations are mainly attributable to IT services and computer centre services that have been outsourced to an external service provider. The consulting costs are made up of tax advice costs, legal advice costs as well as general and IT consulting costs. The expenses for administration operations include costs relating to building operations, office costs and communication costs. The item "External services – banking business" mainly contains securities settlement and transaction costs in connection with the MLP credit card. Expenses for representation and advertising include costs incurred due to media presence and client information activities. Expenses for commercial agents include costs for former consultants and the training allowance granted for new consultants. Sundry other operating expenses essentially comprise expenses for other taxes, passenger vehicles, literature and charitable donations.

## 11 Finance cost

All figures in €'000	2nd quarter 2016	2nd quarter 2015	1st half-year 2016	1st half-year 2015
<b>Other interest and similar income</b>	<b>392</b>	<b>82</b>	<b>518</b>	<b>203</b>
Interest expenses from financial instruments	-26	-40	-72	-87
Interest expenses from net obligations for defined benefit plans	-122	-120	-245	-240
Other interest costs	-529	-49	-631	-179
<b>Other interest and similar expenses</b>	<b>-677</b>	<b>-209</b>	<b>-948</b>	<b>-506</b>
<b>Finance cost</b>	<b>-286</b>	<b>-127</b>	<b>-429</b>	<b>-304</b>

## 12 Financial assets

All figures in €'000	June 30, 2016	Dec 31, 2015
Held-to-maturity investments	73,327	67,204
Available-for-sale financial assets	10,316	15,627
<b>Debenture and other fixed income securities</b>	<b>83,643</b>	<b>82,831</b>
Available-for-sale financial assets	5,253	5,714
Financial assets at fair value through profit and loss	1,064	1,217
<b>Shares and other variable yield securities</b>	<b>6,317</b>	<b>6,932</b>
<b>Fixed and time deposits (loans and receivables)</b>	<b>40,111</b>	<b>52,120</b>
<b>Loans</b>	<b>10,000</b>	<b>56</b>
<b>Investments in non-consolidated subsidiaries (available-for-sale financial assets)</b>	<b>6,094</b>	<b>5,978</b>
<b>Total</b>	<b>146,164</b>	<b>147,916</b>

## 13 Other accounts receivables and assets/other liabilities

Due to the seasonally stronger year-end business, high receivables from insurance companies as well as high liabilities due to commercial agents as at December 31, 2015 had to be disclosed, which were then balanced out in the first quarter of 2016. Through the seasonal influences a lower amount of receivables and liabilities were built up in the first half-year of 2016.

## 14 Shareholders' equity

### Share capital

The share capital of MLP AG comprises 109,334,686 (December 31, 2015: 109,334,686) no-par-value shares. The retained earnings include a statutory reserve of € 3,117 thsd (previous year: € 3,117 thsd).

### Dividend

In accordance with the resolution passed at the Annual General Meeting on June 16, 2016 a dividend of € 13,120 thsd (previous year: € 18,339 thsd) was to be paid for the financial year 2015. This corresponds to € 0.12 per share (previous year: € 0.17) per share.

## 15 Notes to the statement of cash flow

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

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

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

Cash flow from financing activities includes cash-relevant equity changes and loans used and paid back.

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

### Cash and cash equivalents

All figures in €'000	June 30, 2016	June 30, 2015
Cash and cash equivalents	125,799	73,123
Loans ≤3 months	–	23,000
<b>Cash and cash equivalents</b>	<b>125,799</b>	<b>96,123</b>



Receivables of MLP Finanzdienstleistungen AG due from banks are included in cash and cash equivalents provided they are separable as own-account investing activities. Inseparable elements are allocated to the operating business of the banking business segment and therefore to cash flow from operating activities.

#### 16 Contingent assets and liabilities, as well as other liabilities

Compared to December 31, 2015, contingent liabilities on account of sureties and warranties (face value of the obligation) increased from € 2,577 thsd to € 2,715 thsd and irrevocable credit commitments (contingent liabilities) increased from € 60,033 thsd to € 69,502 thsd.

Beyond this there were no significant changes compared to December 31, 2015.

#### 17 Non-current assets held for sale and disposal groups/Liabilities in connection with non-current assets held for sale and disposal groups

The sale of FERI EuroRating Services 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.

The item also includes the office and administration building held for sale by MLP AG.

The following main groups of assets and liabilities were included in the item for non-current assets and disposal groups/liabilities held for sale in connection with non-current assets held for sale and disposal groups:

All figures in €'000	June 30, 2016
Intangible assets	1,528
Property, plant and equipment	13
Property held for sale	6,040
Deferred tax assets	109
Other receivables and assets	493
Cash and cash equivalents	1
Liabilities	1,153

### 18 Additional information on financial instruments

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

	June 30, 2016						
	Carrying amount	Fair value					No financial instruments according to IAS32/39
		Carrying amount corresponds to fair value	Level 1	Level 2	Level 3	Total	
<b>All figures in €'000</b>							
<b>Financial assets measured at fair value</b>	<b>16,633</b>		<b>6,226</b>	<b>5,154</b>		<b>16,633</b>	
<b>Fair Value Option</b>	<b>1,064</b>		<b>1,064</b>			<b>1,064</b>	
Financial investments (share certificates and structured bonds)	1,064	–	1,064	–	–	1,064	–
<b>Available-for-sale financial assets</b>	<b>15,569</b>		<b>10,109</b>	<b>5,460</b>		<b>15,569</b>	
Financial investments (share certificates and investment fund shares)	5,253	–	4,947	306	–	5,253	–
Financial assets (bonds)	10,316	–	5,162	5,154	–	10,316	–
<b>Financial assets measured at amortised cost</b>	<b>1,467,316</b>	<b>530,285</b>	<b>30,978</b>	<b>440,164</b>	<b>504,415</b>	<b>1,505,841</b>	
<b>Loans and receivables</b>	<b>1,387,895</b>	<b>524,191</b>		<b>397,815</b>	<b>504,415</b>	<b>1,426,420</b>	
Receivables from banking business – clients	576,956	111,364	–	–	504,415	615,779	–
Receivables from banking business – banks	574,420	176,307	–	397,815	–	574,122	–
Financial assets (fixed and time deposits)	40,111	40,111	–	–	–	40,111	–
Financial assets (loans)	10,000	10,000	–	–	–	10,000	–
Other receivables and assets	60,610	60,610	–	–	–	60,610	22,675
Cash and cash equivalents	125,799	125,799	–	–	–	125,799	–
<b>Held-to-maturity investments</b>	<b>73,327</b>		<b>30,978</b>	<b>42,349</b>		<b>73,327</b>	
Financial assets (bonds)	73,327	–	30,978	42,349	–	73,327	–
<b>Available-for-sale financial assets</b>	<b>6,094</b>	<b>6,094</b>				<b>6,094</b>	
Financial assets (investments)	6,094	6,094	–	–	–	6,094	–
<b>Financial liabilities measured at amortised cost</b>	<b>1,283,851</b>	<b>1,227,043</b>		<b>58,856</b>		<b>1,283,899</b>	
Liabilities due to banking business – clients	1,178,435	1,151,145	–	27,439	–	1,178,584	–
Liabilities due to banking business – banks	30,260	743	–	29,417	–	30,160	–
Other liabilities	75,155	75,155	–	–	–	75,155	26,930
<b>Sureties and warranties</b>	<b>2,715</b>	<b>2,715</b>				<b>2,715</b>	
<b>Irrevocable credit commitments</b>	<b>69,502</b>	<b>69,502</b>				<b>69,502</b>	

	Dec. 31, 2015						
	Carrying amount	Fair value					No financial instruments according to IAS32/39
		Carrying amount corresponds to fair value	Level 1	Level 2	Level 3	Total	
<b>All figures in €'000</b>							
<b>Financial assets measured at fair value</b>	<b>22,559</b>		<b>11,751</b>	<b>10,808</b>		<b>22,559</b>	
<b>Fair Value Option</b>	<b>1,217</b>		<b>1,217</b>			<b>1,217</b>	
Financial investments (share certificates and structured bonds)	1,217	–	1,217	–	–	1,217	–
<b>Available-for-sale financial assets</b>	<b>21,342</b>		<b>10,533</b>	<b>10,808</b>		<b>21,342</b>	
Financial investments (share certificates and investment fund shares)	5,714	–	5,408	306	–	5,714	–
Financial assets (bonds)	15,627	–	5,125	10,502	–	15,627	–
<b>Financial assets measured at amortised cost</b>	<b>1,436,119</b>	<b>576,604</b>	<b>40,522</b>	<b>398,862</b>	<b>449,368</b>	<b>1,465,355</b>	
<b>Loans and receivables</b>	<b>1,362,938</b>	<b>570,626</b>		<b>371,741</b>	<b>449,368</b>	<b>1,391,735</b>	
Receivables from banking business – clients	542,696	122,762	–	–	449,368	572,129	–
Receivables from banking business – banks	600,339	227,961	–	371,741	–	599,702	–
Financial assets (fixed and time deposits)	52,120	52,120	–	–	–	52,120	–
Financial assets (loans)	56	56	–	–	–	56	–
Other receivables and assets	90,187	90,187	–	–	–	90,187	22,344
Cash and cash equivalents	77,540	77,540	–	–	–	77,540	–
<b>Held-to-maturity investments</b>	<b>67,204</b>		<b>40,522</b>	<b>27,121</b>		<b>67,643</b>	
Financial assets (bonds)	67,204	–	40,522	27,121	–	67,643	–
<b>Available-for-sale financial assets</b>	<b>5,978</b>	<b>5,978</b>				<b>5,978</b>	
Financial assets (investments)	5,978	5,978	–	–	–	5,978	–
<b>Financial liabilities measured at amortised cost</b>	<b>1,231,767</b>	<b>1,187,505</b>		<b>43,704</b>		<b>1,231,209</b>	
Liabilities due to banking business – clients	1,102,569	1,080,352	–	22,318	–	1,102,670	–
Liabilities due to banking business – banks	23,095	1,050	–	21,386	–	22,436	–
Other liabilities	106,103	106,103	–	–	–	106,103	34,108
<b>Sureties and warranties</b>	<b>2,577</b>	<b>2,577</b>				<b>2,577</b>	
<b>Irrevocable credit commitments</b>	<b>60,033</b>	<b>60,033</b>				<b>60,033</b>	

Pursuant to IAS 32/39, the following financial instruments are included in the disposal group (see Note 17): loans and receivables totalling € 406 thsd and financial liabilities measured at amortised cost amounting to € 76 thsd.

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

#### Determining fair value

Insofar as there is an active market for financial assets and financial liabilities, the prices of the market with the greatest trading volume on the closing date are used as the basis for determining the fair value. With investment shares, the fair value corresponds to the redemption prices published by the capital investment companies. If there is no active market on the closing date, the fair value is determined using recognised valuation models. The underlying accounting and valuation principles with respect to financial instruments remain unchanged compared to the previous year and are contained in the Annual Report 2015.

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

Type	Valuation technique	Significant, non-observable input factors	Relationship between significant, non-observable input factors and measurement at fair value
Receivables from banking business – clients with agreed maturity	The valuation model takes into account the present value of the anticipated future cash inflows/outflows throughout the remaining term, which are discounted using a risk-free discount rate. The discount rate is based on the current yield curve. Credit and default risks, administration costs and expected return on equity are taken into account when determining future cash flows.	Adjustment of cash flows by: <ul style="list-style-type: none"> <li>• Credit and counterparty default risks</li> <li>• Administration costs</li> <li>• Anticipated return on equity</li> </ul>	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> <li>• the credit and default risk were to rise (fall),</li> <li>• the admin costs were to fall (rise),</li> <li>• the anticipated return on equity were to fall (rise).</li> </ul>

**Regrouping between level 1 and level 2**

On the reporting reference date the bonds to be held to maturity with a carrying amount of € 17,358 thsd and a fair value of € 17,354 thsd were transferred from level 1 to level 2 as the quoted in-market prices for these bonds were no longer regularly observable.

**Regrouping between level 2 and level 1**

On the reporting reference date the bonds to be held to maturity with a carrying amount of € 7,136 thsd and a fair value of € 7,739 thsd were transferred from level 2 to level 1 as the quoted in-market prices for these bonds became regularly observable.

**19 Related party disclosures**

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

There were no significant changes compared to December 31, 2015.

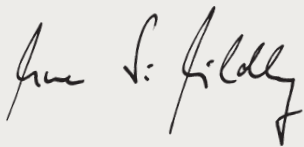
**20 Events after the balance sheet date**

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

Wiesloch, August 10, 2016

MLP AG

Executive Board



Dr. Uwe Schroeder-Wildberg



Manfred Bauer



Reinhard Loose

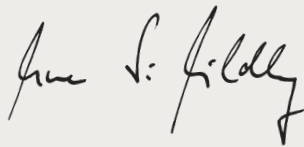
## Responsibility statement

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

Wiesloch, August 10, 2016

MLP AG

Executive Board



Dr. Uwe Schroeder-Wildberg



Manfred Bauer



Reinhard Loose

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## Executive bodies at MLP AG

### Executive Board

Dr. Uwe Schroeder-Wildberg  
(Chairman,  
appointed until December 31, 2017)

Manfred Bauer  
(Product Management,  
appointed until April 30, 2020)

Reinhard Loose  
(Controlling, Purchasing, IT,  
Group Accounting, Risk  
Management, Internal Audit,  
Legal, Human Resources,  
appointed until January 31, 2019)

### Supervisory Board

Dr. Peter Lütke-Bornefeld  
(Chairman,  
appointed until 2018)

Dr. h. c. Manfred Lautenschläger  
(Vice Chairman,  
appointed until 2018)

Dr. Claus-Michael Dill  
(appointed until 2018)

Tina Müller  
(appointed until 2018)

Alexander Beer  
(Employee representative,  
appointed until 2018)

Burkhard Schlingermann  
(Employee representative,  
appointed until 2018)

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# Financial Calendar

## SEPTEMBER

**September 21, 2016**

Company presentation at the Berenberg & Goldman Sachs German Corporate Conference in Munich

## OCTOBER

**October 5, 2016**

Management-Roadshow in Copenhagen

## NOVEMBER

**November 10, 2016**

Publication of the results for the first nine months and the third quarter 2016

**November 22, 2016**

Company presentation at the German Equity Forum in Frankfurt

More:

[www.mlp-ag.com](http://www.mlp-ag.com), Investors, Financial Calendar

## PROGNOSIS

This documentation includes certain prognoses and information on future developments founded on the conviction of MLP AG's Executive Board and on assumptions and information currently available to MLP AG. Words such as "expect", "estimate", "assume", "intend", "plan", "should", "could", "project" and similar terms used in reference to the company describe prognoses based on certain factors subject to uncertainty.

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

MLP AG accepts no obligation to the public for updating or correcting prognoses. All prognoses and predictions are subject to various risks and uncertainties which can lead to the actual results numerically differing from expectations. The prognoses reflect the points of view at the time when they were made.

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