

The MLP Group – The partner for all financial matters

Reinhard Loose,
CFO

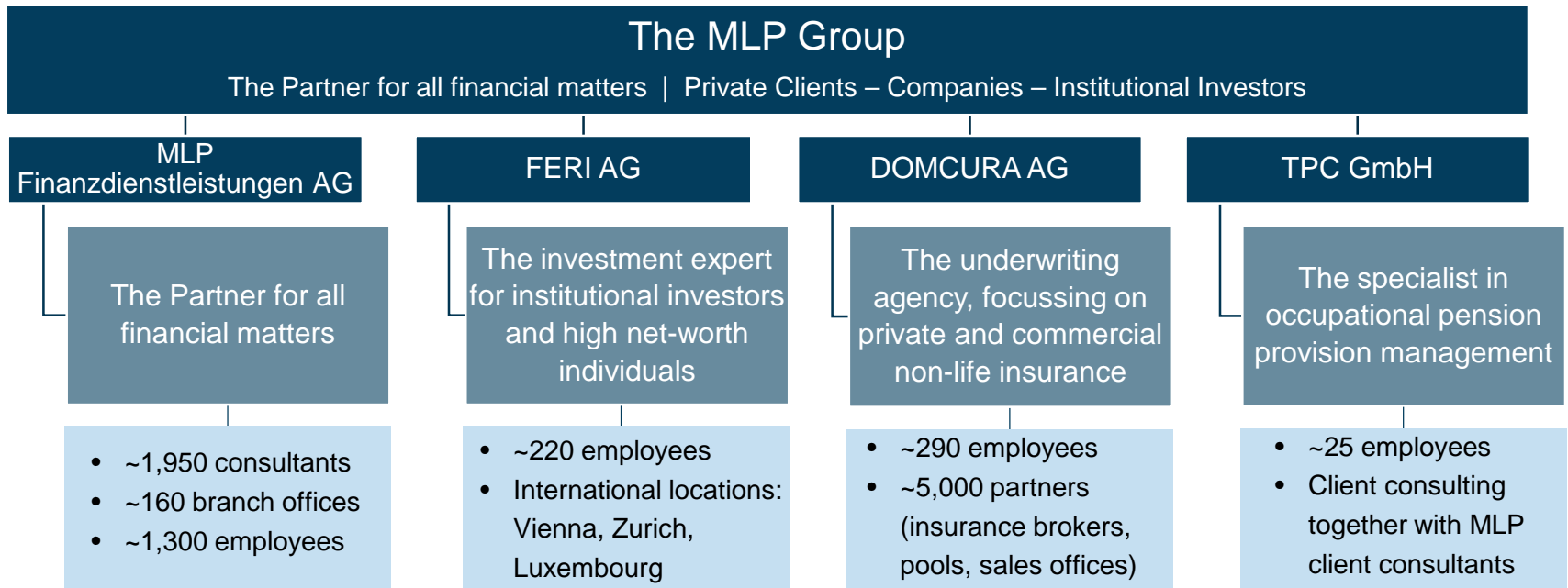
German Equity Forum
Frankfurt, November 25, 2015



Agenda

- MLP at a glance 3
- Benefits for shareholders 6
- Market developments 11
- Financials 14
- Outlook & Summary 19
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The MLP Group at a glance



- The **views and expectations of our clients** always represent the starting point in each of these fields
- We examine the **offers of all relevant product providers in the market**
- We then present our clients with suitable options so that **they can make** the right financial decisions

The process based on **scientifically substantiated market and product analyses.**

MLP Group – An Overview

Clients		<ul style="list-style-type: none"> • Around 855,000 private clients in the mass affluent segment of the market target groups: graduates (i.e. physicians, solicitors, engineers and economists) • Over 200 private clients in the HNWI market & over 5,000 corporate clients, employers and institutional clients 			
Main business areas	Old-age provision	Brokered premium sum for new business totalled €4.1 billion in 2014. Occupational pension provision accounted for around 12% of this figure.			Share of revenue '14
					49%
	Wealth Management	€27.5 billion in assets under management as at December 31, 2014 in business with mass affluent clients, HNWI and institutional investors.			30%
	Health insurance	Private health insurance, supplementary private health insurance, long-term care, occupational health insurance, statutory health insurance.			9%
Top Financials		FY 2014: Total revenue: €531.1 million Equity Ratio: 23.2% Dividend per share: €0.17 EBIT: €39.0 million Core Capital Ratio: 13.6% Return on Equity: 7.8% Net profit: €29.0 million Consultants: 1,952 Employees (9M'15): 1,803			
MLP Share		Shares outstanding: 109,334,686 Free Float: 49.81% (Definition on the German stock exchange) Average daily trading volume: 79,500 (Xetra, 12-month average as at Oktober 31st, 2015)			

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MLP – Benefits for shareholders

More diversified revenue mix and cost control

1

Stability

Attractive dividend policy

2

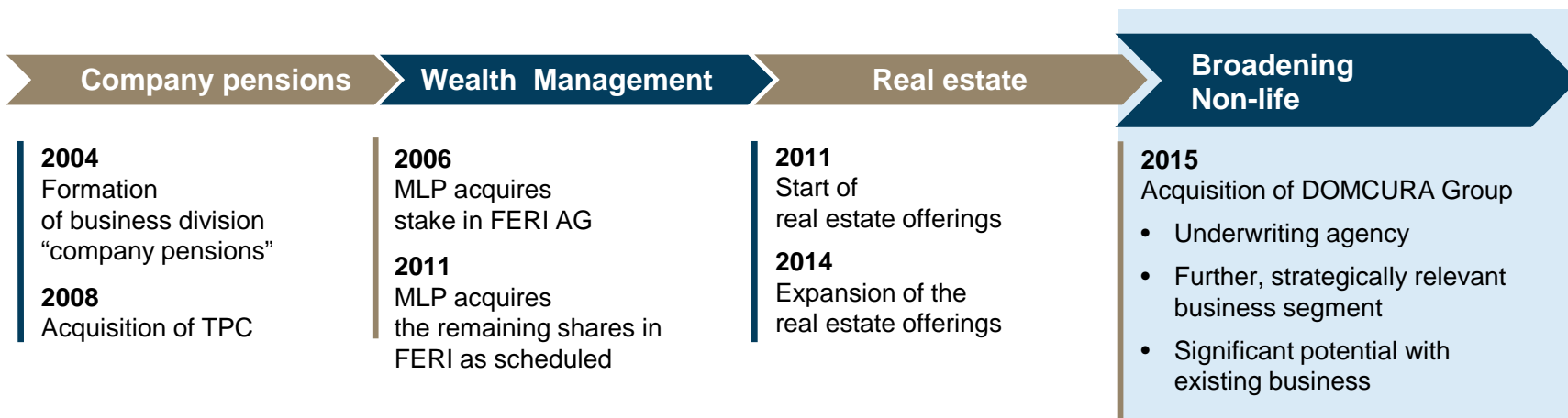
Attractive ROI

Stable shareholder structure

3

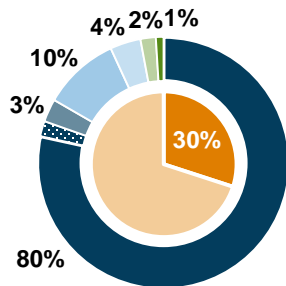
Consistency in strategy

Stability: strengthening of the revenue base through strategic further development



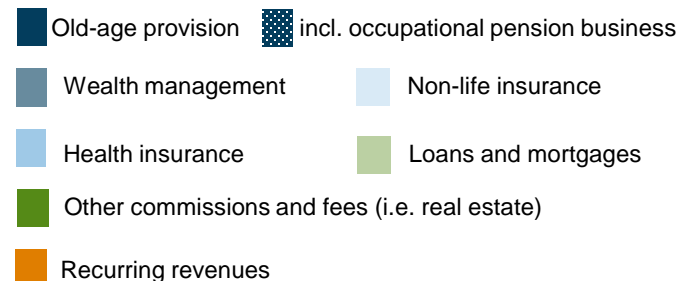
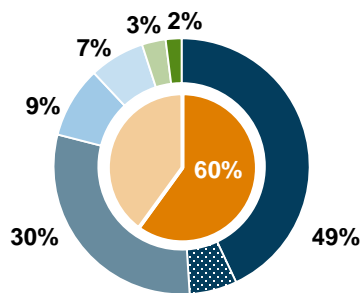
FY 2005

Revenue from commissions and fees: € 467.9 million



FY 2014

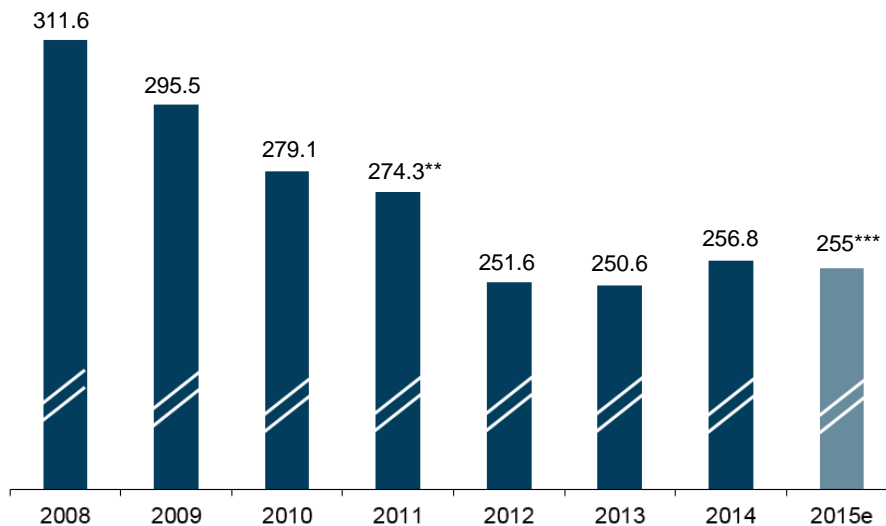
Revenue from commissions and fees: € 486.9 million



Administration costs reduced by more than €50 million – solid foundation for the future

Administrative costs*

in € million



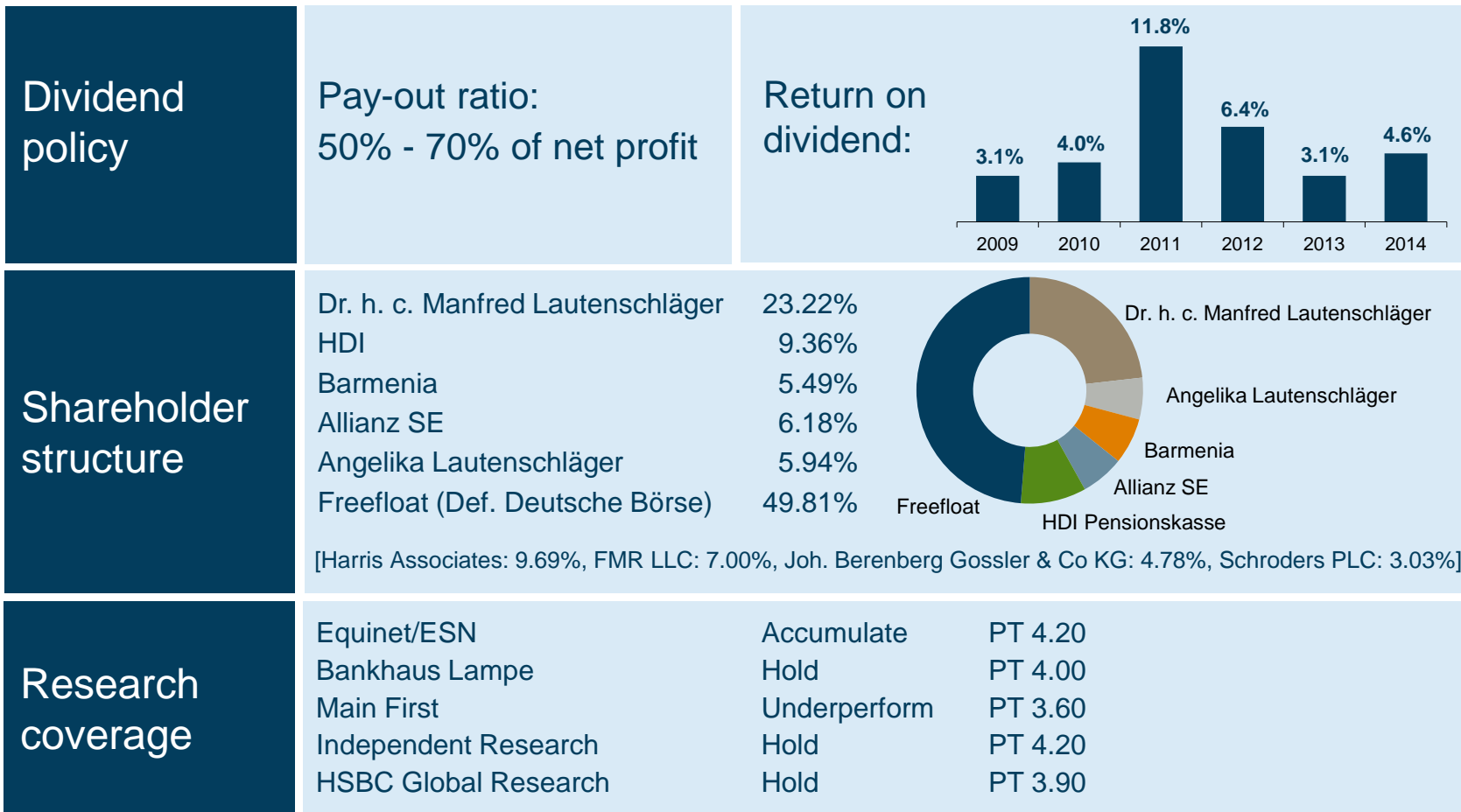
- Active cost management
- Stable cost development through improved cost structure

* Definition: Personnel expenses, depreciation and amortisation and other operating expenses

** Adjusted to include one-off expenses

*** Excluding Domcura

Attractive dividend policy & stable shareholder structure



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Fundamental changes in the market

Trend

Client behaviour

- Fundamental scepticism on the part of clients towards the financial industry since the outbreak of the financial crisis
- Quick and inexpensive information possibilities for clients via the internet
- Distinct desire to make their own financial decisions

Demographics

- Rising life expectancy and low birth rate lead to a significantly ageing society
- Increasing pressure on state social welfare systems
- Number of people in work constantly falling

Regulation (e.g. IMD II, MiFID II, LVRG)

- Since 2004 and especially since 2008 intensive regulation
- In addition to impacting at the product level, regulation also particularly applies to the training of consultants, documentation and transparency

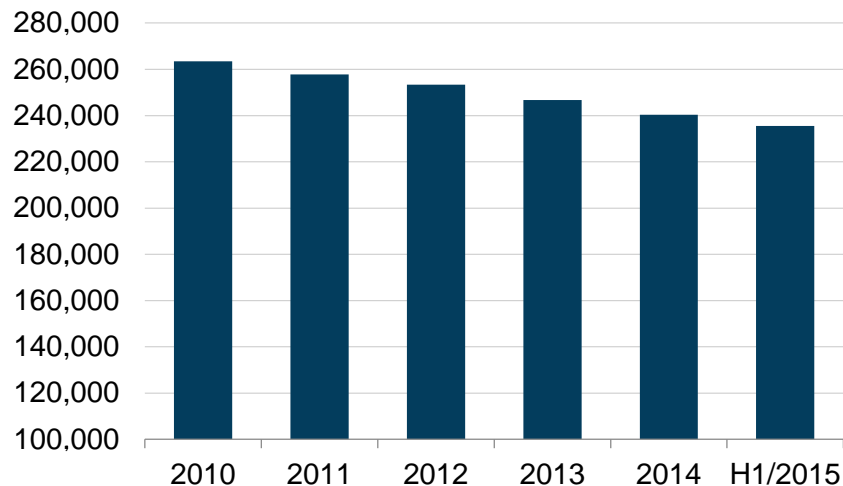
Effects

- Intense competition
- Quality of consulting services and differentiation from the competition continue to gain in significance
- Contract conclusion for simple products sometimes takes place without consultation
- Great need for private and occupational old-age provision as well as private health insurance
- Recruiting: Good labour market perspectives leads to a “war of talents” for well-educated/trained individuals
- Significant rise in administrative activities burdens productivity
- Increase in fixed costs for training, IT systems and administration
- Quality becoming an increasingly important aspect

Significant increase in consolidation within the market due to LVRG

Number of insurance intermediaries in Germany

Effects of the Life Insurance Reform Act (LVRG)



- Quality of consultancy and portfolio will become even more important
- Sale organisations with a high cancellation rate will lose trail commissions
- Major challenges for pyramid sales organisations

Source: DIHK, entries in the Insurance Intermediary Register

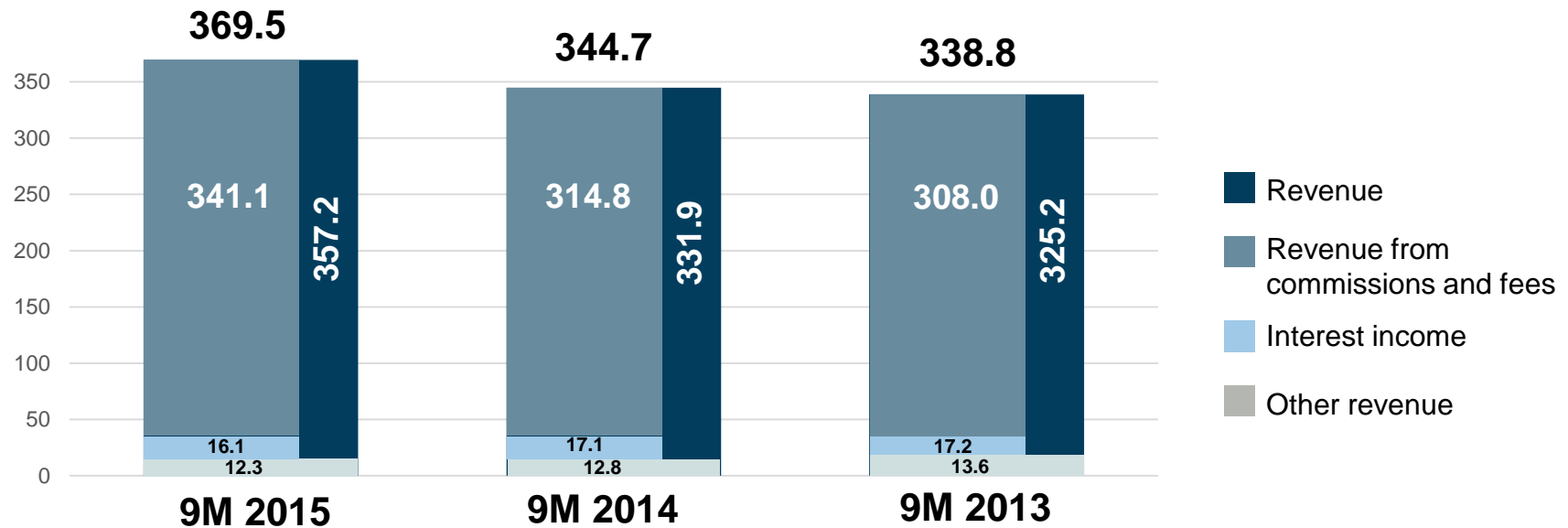
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9M: Total revenue rises to €369.5 million

Total revenue 9M

[in € million]



9M: Growth in nearly all consulting areas

Revenue

[in € million]

	Q3 2015	Q3 2014	Δ in %	9M 2015	9M 2014	Δ in %
Old-age provision	44.8	48.9	-8	128.0	133.1	-4
Wealth management	38.7	38.8	0	121.3	105.7	15
Health insurance	11.4	10.7	7	33.6	31.8	6
Non-life insurance*	11.5	5.5	>100	36.7	29.6	24
Loans and mortgages**	4.2	3.2	31	11.1	9.1	22
Other commissions and fees	4.0	2.4	67	10.4	5.4	93
Interest income	5.3	5.7	-7	16.1	17.1	-6

* since end of July 2015 incl. DOMCURA, **excluding MLP Hyp

9M: Proforma-EBIT reaches €8.3 million

Income statement

[in € million]	Q3 2015	Q3 2014	9M 2015	9M 2014*	Burdens Q3/2015: <ul style="list-style-type: none"> Market-related decrease in performance-linked fees and hesitancy in old-age provision One-time tax burden (€-1.1 million) One-time burden within finance costs (€-2.0 million)
Total revenue	122.9	117.8	369.5	344.7	
Pro forma-EBIT**	0.2	4.9	8.3	9.4	
EBIT	-0.7	4.9	7.4	9.4	
Finance cost	-2.0	0.0	-2.3	-0.1	
EBT	-2.8	4.9	5.0	9.3	
Taxes	-0.1	-1.5	-1.4	-2.1	
Group net profit	-2.9	3.4	3.7	7.2	
EPS in € (diluted/undiluted)	-0.03	0.03	0.03	0.07	Group net profit 9M/2015 with simulated DOMCURA purchase as of 1st Jan 2015: €7.1 million

*Previous year's figures adjusted

**Adjusted for the acquisition of DOMCURA

9M 2015: Balance sheet details

MLP Group

[in € million]

	30/09/2015	31/12/2014	
Intangible assets	172.8	156.2	
Financial investments	140.0	145.3	<ul style="list-style-type: none"> • Equity ratio: 22.2% • Core capital ratio: 13.1% • Intangible assets increased due to DOMCURA acquisition
Cash and cash equivalents	79.6	49.1	
Other receivables and other assets	95.9	117.7	
Shareholders' equity	368.9	376.8	
Equity ratio	22.2%	23.2%	
Other liabilities	107.8	117.8	
Total	1,664.0	1,624.7	

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Implemented growth initiatives systematically continued

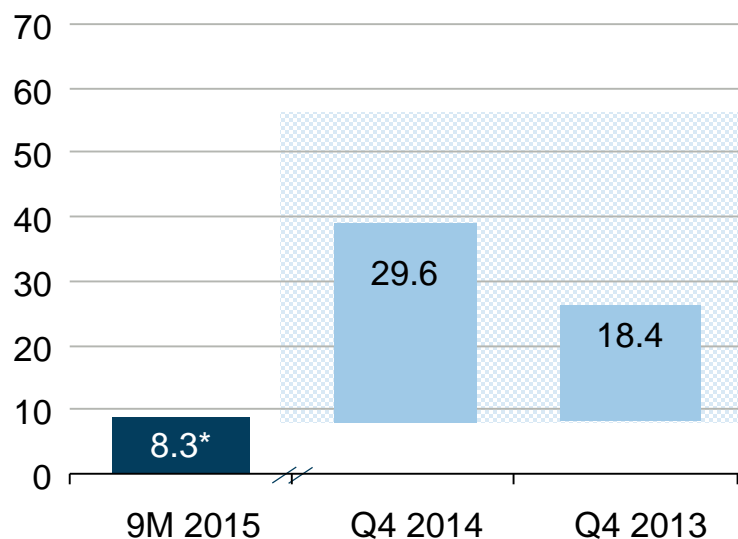
Focus	Measures implemented in the first nine months
1. Online strategy	<ul style="list-style-type: none">• Expansion of the internet presence in order to serve as a significant channel for attracting interested parties and new clients• Start of the new internet presence “MLP financify” in April 2015 to address the needs of young adults• Re-launch of the mlp.de website in July 2015 – creates basis for online contract conclusion for simple products by the end of the year
2. Recruiting	<ul style="list-style-type: none">• New further training bonus introduced for new client consultants• Combination of high quality initial and further training with an easier start into self-employment• Opening of a new branch in the university segment, further more in planning
3. Broadening of the revenue base	<ul style="list-style-type: none">• Development of a further, strategically relevant business segment in the area of non-life insurance through the ongoing acquisition of the DOMCURA Group – at the same time, considerable revenue synergies with the classical MLP business• Continued expansion of wealth management• Ongoing expansion of real estate brokerage

Make MLP more independent of short-term market influences

Outlook: Q4 with significant influence on the full-year results

Contribution of Q4 to the full-year EBIT

[in € million]



* Pro forma EBIT (adjusted for the acquisition of DOMCURA)

- Very strong last quarter in 2014 will probably not be achieved in the current year

Sales revenue

In each case compared to the previous year

2015	
Revenue from old-age provision	Decreasing trend
Revenue from health insurance	Slight increase
Revenue from wealth management	Significant increase
Other commissions and fees (real estate)	Significant increase

Summary

- MLP has targetedly **further developed its business** model in the past few years.
- **Consolidation** is now starting to **gather momentum** in Germany.
- MLP is **optimally positioned** for the new requirements – and will benefit over-proportionally from a recovery in the market.
- MLP will **continue its process of modernisation**: Recruiting – Online-Strategy – Diversification of revenue.
- **Market environment** remains **difficult** – especially in old-age provision
- **Growth initiatives** on track – **costs** under control
- As is customary in the MLP business model, **the fourth quarter plays a decisive role** for the full-year results. **Significant pick-up** expected to the end of the year

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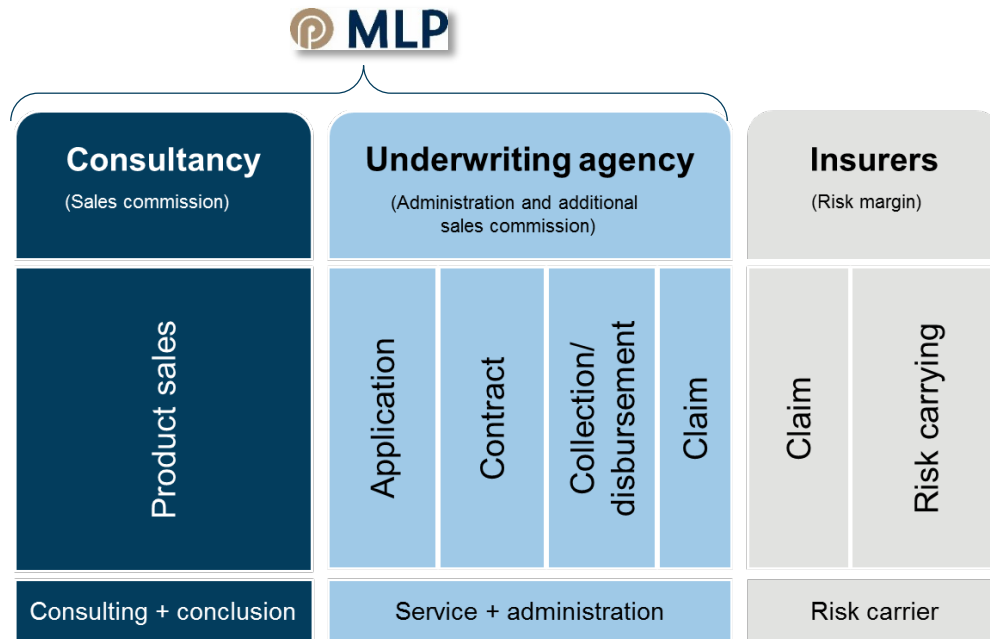
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Integration of the underwriting agency DOMCURA is progressing according to plan

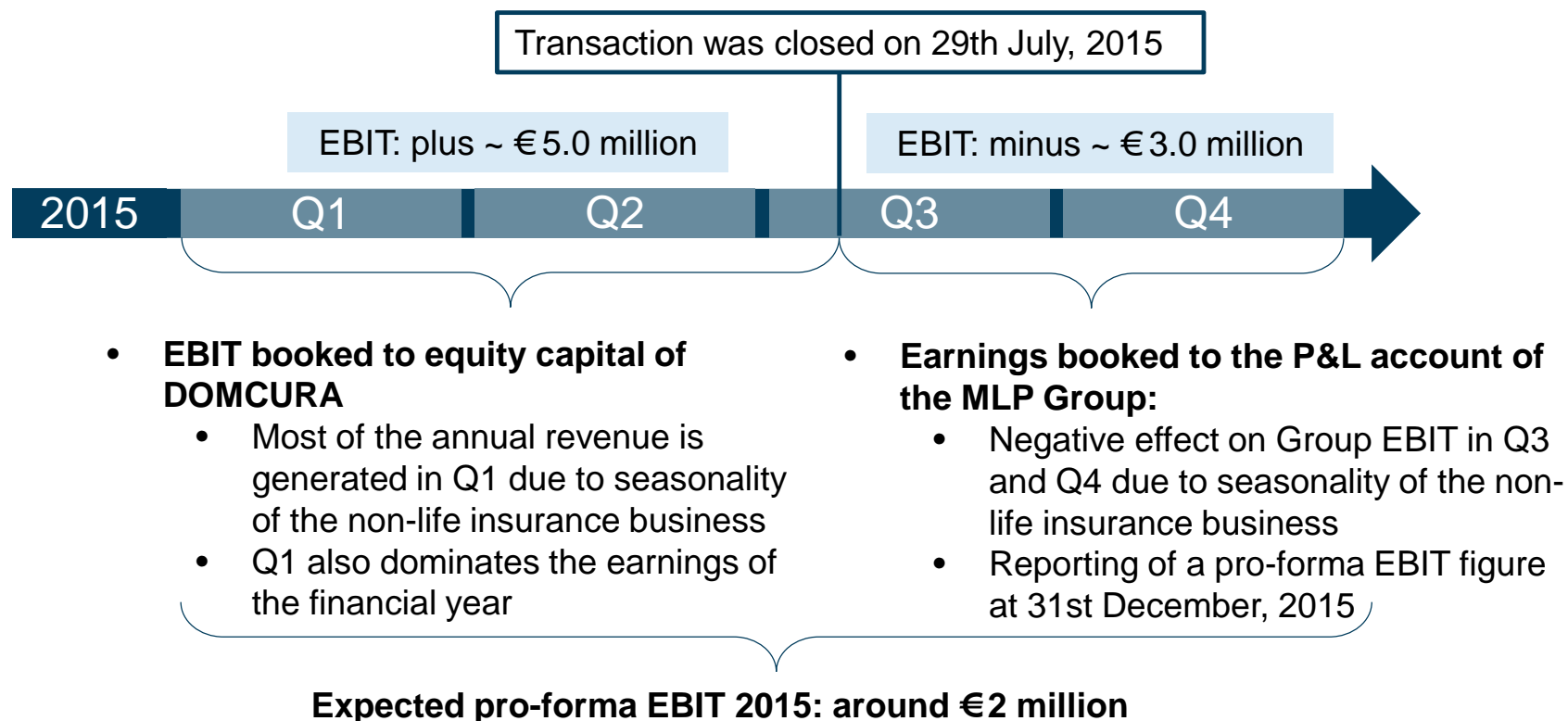


- Range of jointly-issued, high performance package-type products for consulting at MLP is currently under development
- Improvement of technical and process handling in non-life business at MLP is underway

- Further expansion of non-life business contributes to the broadening of the revenue mix and increases recurring revenue
- The underwriting agency services lengthen the value-added chain within the MLP Group

Anticipated pro-forma EBIT for DOMCURA in 2015: around €2 million

As of 1st January, 2015, MLP is entitled to a share in profits for 100 percent of the shares.



Life Insurance Reform Act (LVRG) – inducing possible future commission models

Modell 1

Unchanged acquisition commission & cancellation liability prolonged

AC

Cancellation liability

8/10 years

Modell 2 + 3

Commission distribution over the lifetime of the contract

AC

5 years

Distributed acquisition commission

AC

5 years

Portfolio commission

Some insurance companies plan changes starting not before 2016