

# Financial results H1/Q2 2016

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Finanzen verstehen. Richtig entscheiden.

# Agenda

- Highlights H1/Q2 2016
- Key financial figures H1/Q2 2016
- Consultants and clients
- Outlook and summary
- Questions & Answers

# Highlights H1/Q2 2016

- **H1: Total revenue** increases by 16 percent to **€283.6 million**
- **H1: Operating EBIT** rises to **€9.3 million** (H1 2015: €8.1 million)
- **Q2: Old-age provision** and **health insurance** each **increase** by **10 percent** – against to the market trend
- **Efficiency measures** and **growth initiatives** are continuously running **according to schedule**
- **Outlook:** As announced, **EBIT level** should **rise again significantly** from **2017**

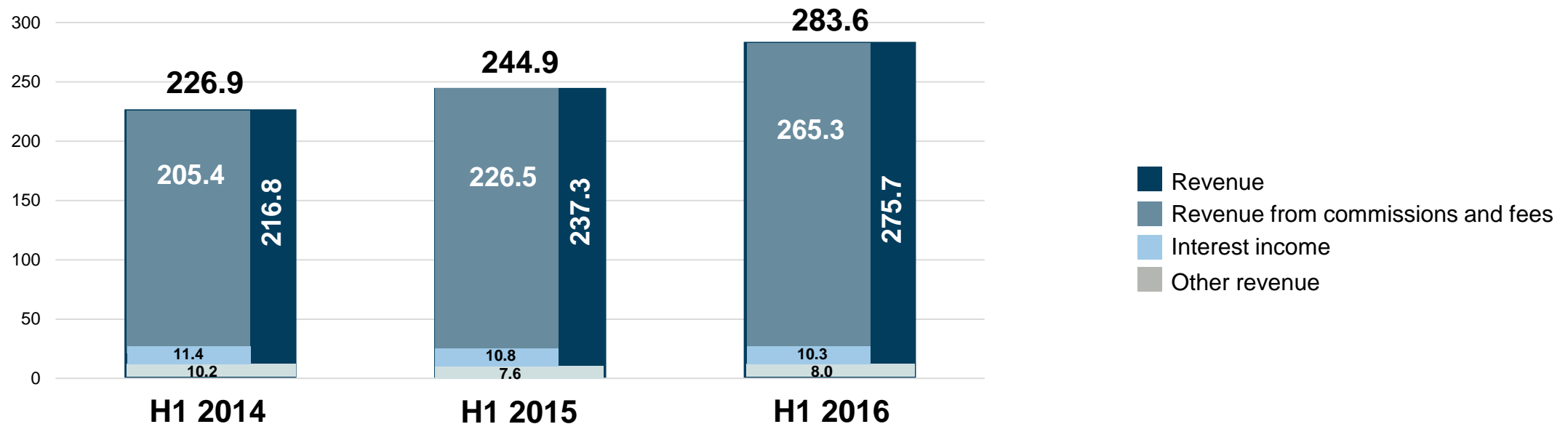
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# H1: Total revenue increases by 16 percent to €283.6 million

## Total revenue H1

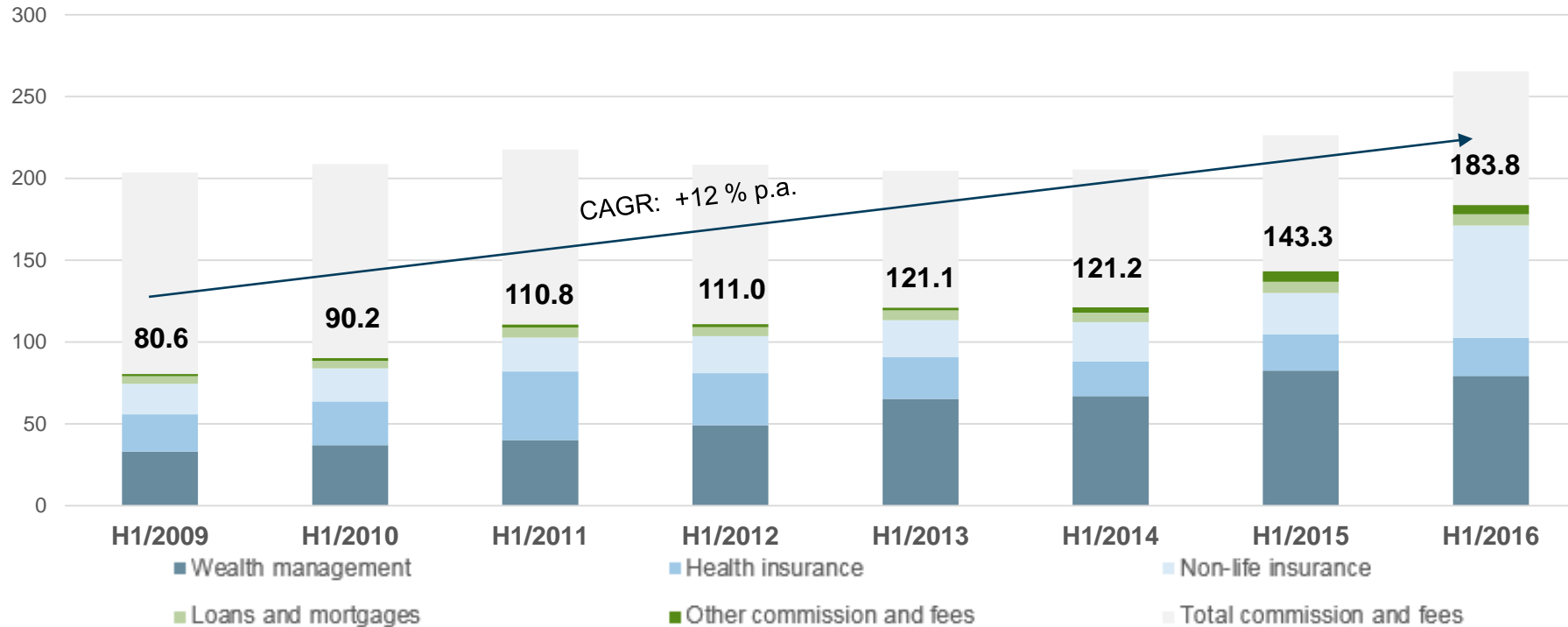
[in € million]



# Successful diversification beyond the old-age provision

## Commission income in H1 (all consulting areas, excl. old-age provision)

Mio. Euro



- Significant increase in H1 2016
- CAGR +12% p.a. since 2009

# Strong growth in non-life insurance

## Revenue

[in € million]

	Q2 2015	Q2 2016	Δ in %	H1 2015	H1 2016	Δ in %
Old-age provision	41.1	45.3	10	83.1	81.6	-2
Wealth management	41.9	40.4	-4	82.6	79.3	-4
Health insurance	10.4	11.4	10	22.2	23.3	5
Non-life insurance	5.1	18.0	>100	25.2	68.7	>100
Loans and mortgages*	3.8	3.2	-16	6.9	6.8	-1
Other commissions and fees	4.0	3.3	-18	6.4	5.7	-11
Interest income	5.3	5.1	-4	10.8	10.3	-5

### H1/2015:

- Revenue in old-age provision positively influenced by a one-off effect in Q1/2015

### H1/2016:

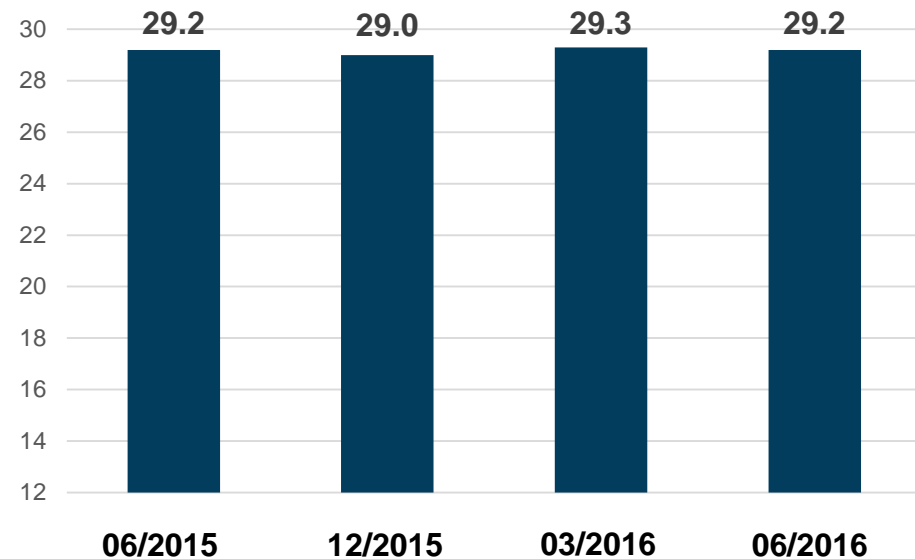
- Revenue contribution DOMCURA (non-life) of around € 43.6 million

\* excluding MLP Hyp

# Premium sum old-age provision rises to €1,306 million

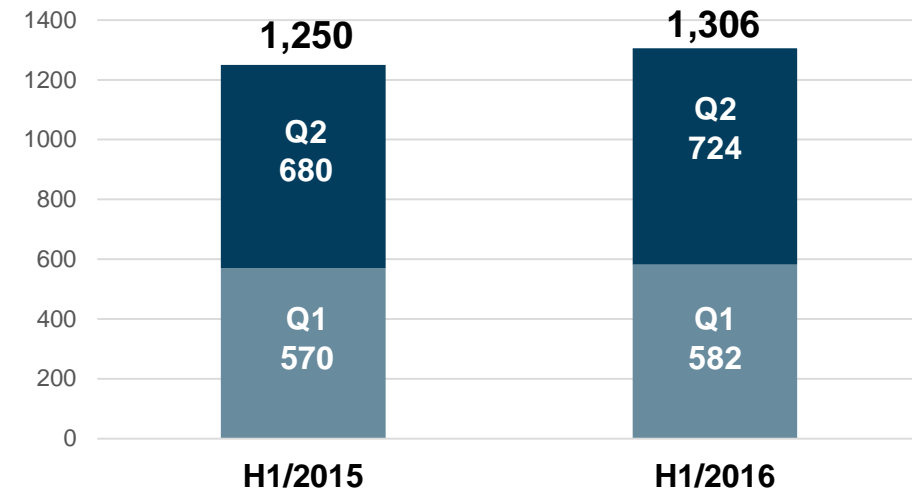
## Assets under Management

[in € billion]



## Premium sum: old-age provision

[in € million]

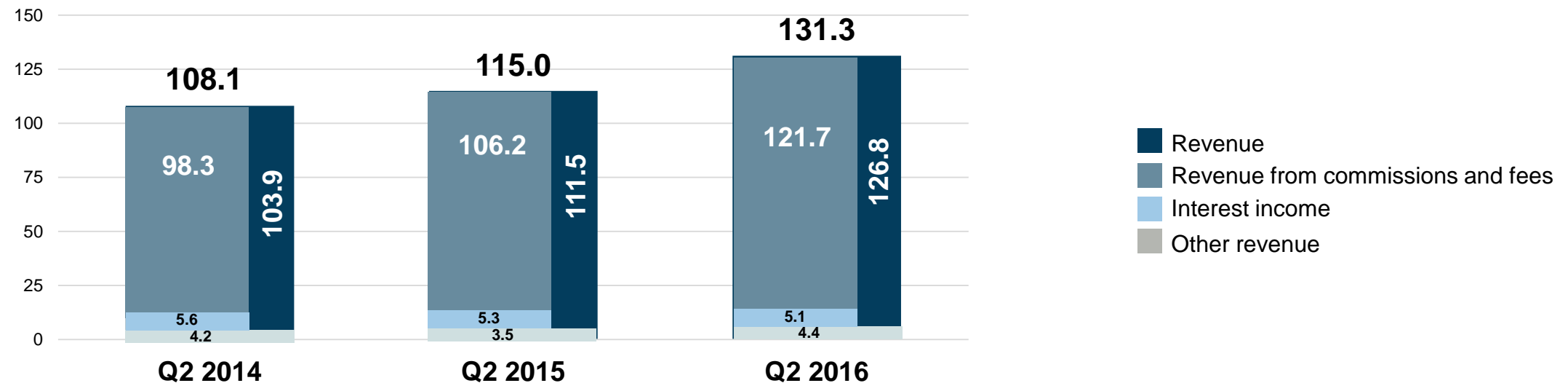




# Q2: Total revenue increases by 14 percent to €131.3 million

## Total revenue Q2

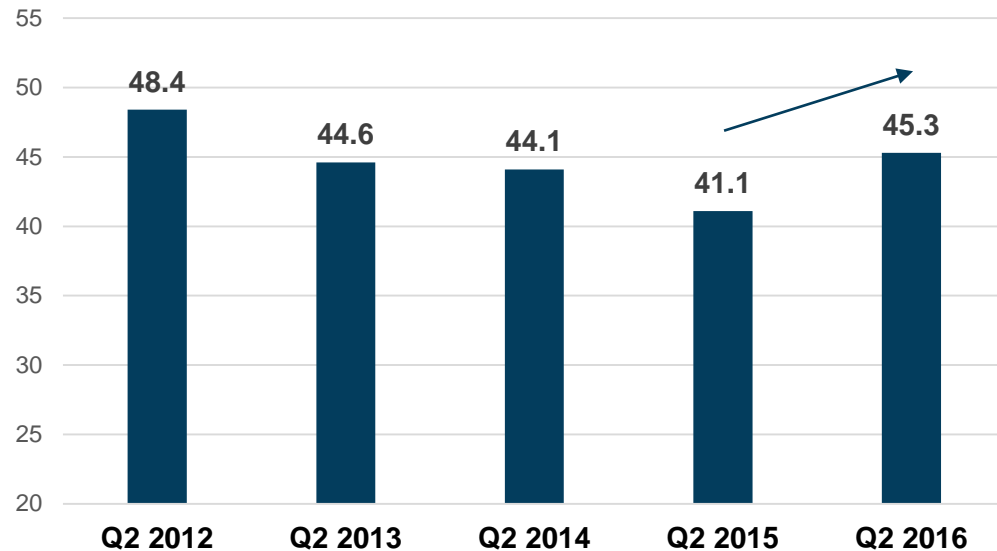
[in € million]



# Q2: Growth in old-age provision and health insurance

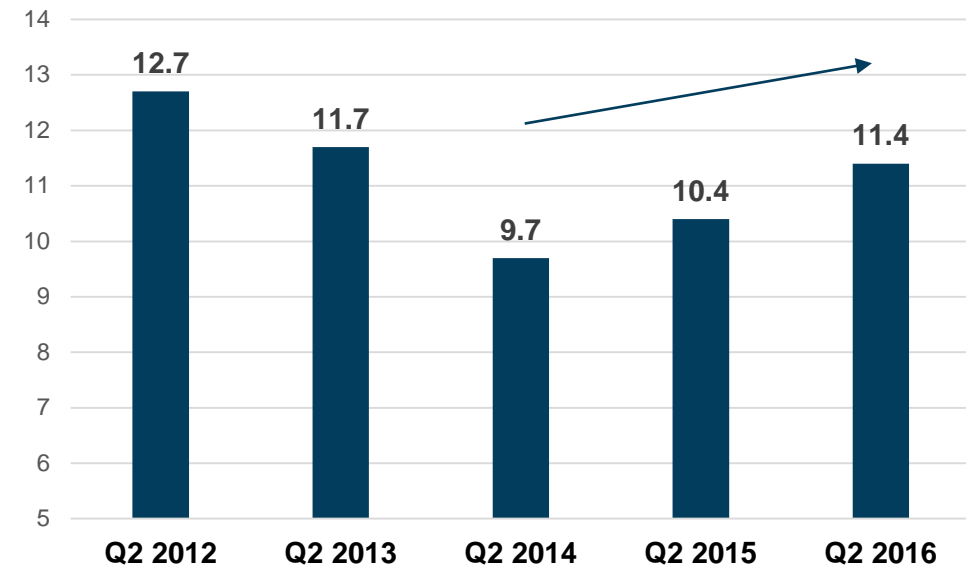
## Commission income old-age provision

[in € million]



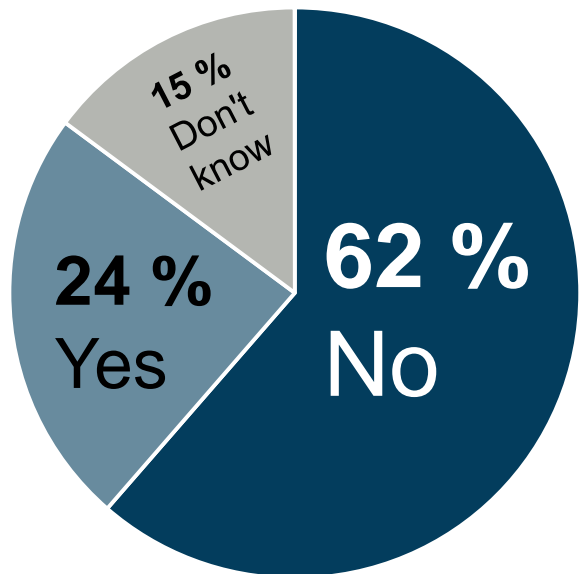
## Commission income health insurance

[in € million]

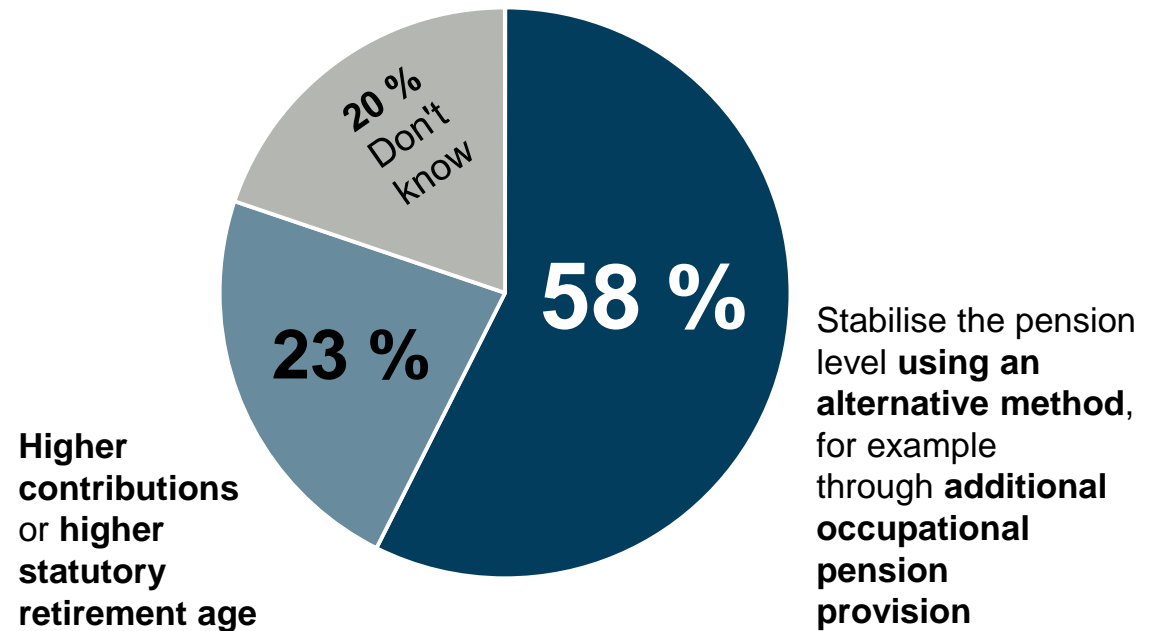


# Population does not trust politics to secure statutory old-age pensions

Can the German government steadily ensure that the statutory pension does not decline in the long term?



What would you personally be willing to accept in order to stabilise the level of statutory old-age pensions?



Source: YouGov survey, on behalf of MLP, July 2016

# H1: Operating EBIT at €9.3 million above previous year

## Income statement

[in € million]	Q2 2015	Q2 2016	H1 2015	H1 2016
Total revenue	115.0	131.3	244.9	283.6
Operating EBIT*	1.1	0.4	8.1	9.3
EBIT	1.1	-1.0	8.1	7.7
Finance cost	-0.1	-0.3	-0.3	-0.4
EBT	0.9	-1.2	7.8	7.3
Taxes	0.4	0.7	-1.3	-1.7
Group net profit	1.3	-0.6	6.6	5.6
EPS in € (diluted/undiluted)	0.01	-0.01	0.06	0.05

### Q2/2016

- Negative EBIT contribution by DOMCURA: € -0.8 million (not included in previous year)
- Reason: Seasonality of business model

### Extraordinary charge due to one-off expenses for efficiency measures

- H1 2016: 1.6 Mio. €
- Q2 2016: 1.4 Mio. €

### H1/2015

- one-off positive effect associated with the correction of an incorrect settlement by a product partner in old-age provision

\* before one-off exceptional costs

# Strong balance sheet

<b><u>Assets</u></b>	<b>31/12/2015</b>	<b>30/06/2016</b>
Intangible Assets	174.5	171.8
Financial Assets	147.9	146.2
Receivables from clients in the banking business	542.7	577.0
Receivables from banks in the banking business	600.3	574.4
Other receivables and assets	112.5	83.3
Cash and cash equivalents	77.5	125.8
<b><u>Liabilities and shareholders equity</u></b>		
Shareholders equity	385.8	372.1
Provisions	86.5	75.8
Liabilities due to clients in the banking business	1,102.6	1,178.4
Liabilities due to banks in the banking business	23.1	30.3
Other Liabilities	140.2	102.1
<b><u>Total</u></b>	<b>1,752.7</b>	<b>1,774.9</b>

Equity ratio: 21.0 %

Core capital ratio: 13.25 %

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# MLP serves 512,800 private and 18,600 corporate clients

Client base: family clients / corporate and institutional clients

## Private clients (families)

- Combined individuals: Partner relationship or parents-child unit and assigned to the same client consultant
- System applies for MLP and the subsidiaries FERI and ZSH

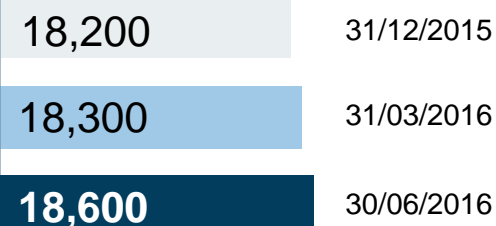
## Number of private clients (families)



## Corporate and institutional clients

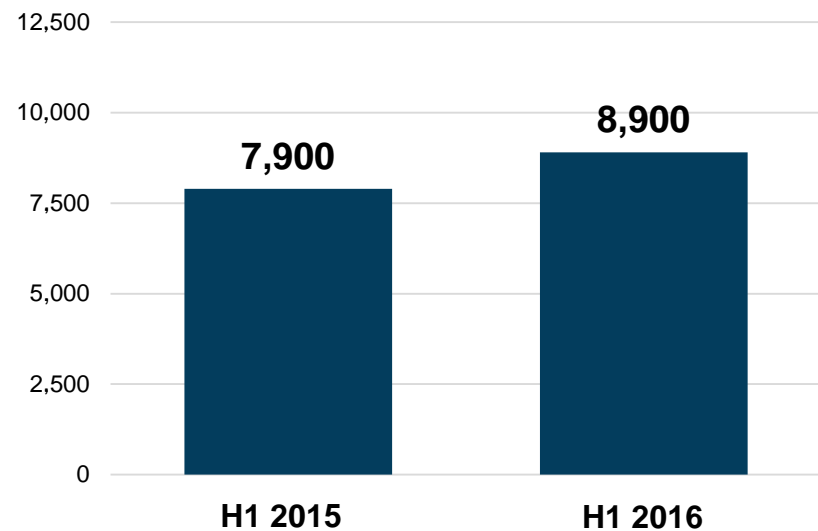
- Corporate clients in occupational pension provision
- Institutional clients at FERI
- Sales partners at DOMCURA
- Freelancers as employers

## Number of corporate and institutional clients

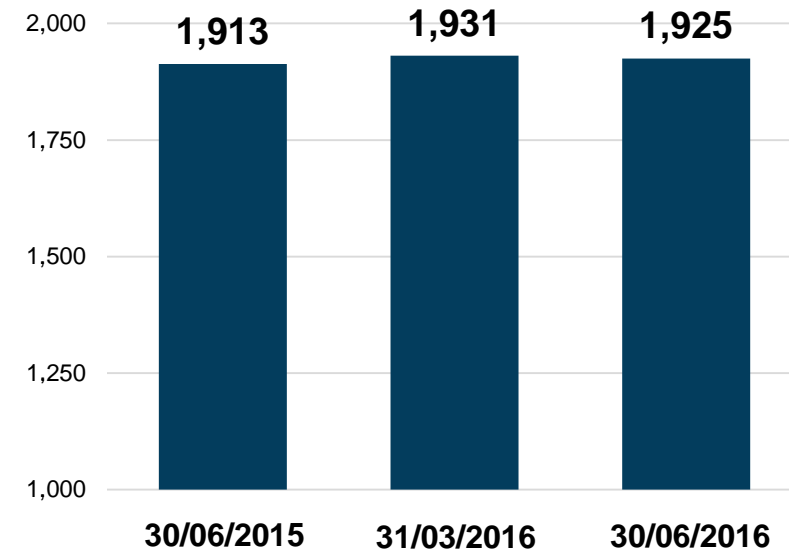


# MLP attracts 8,900 new clients (families)

Gross number of new clients (families)



Consultants



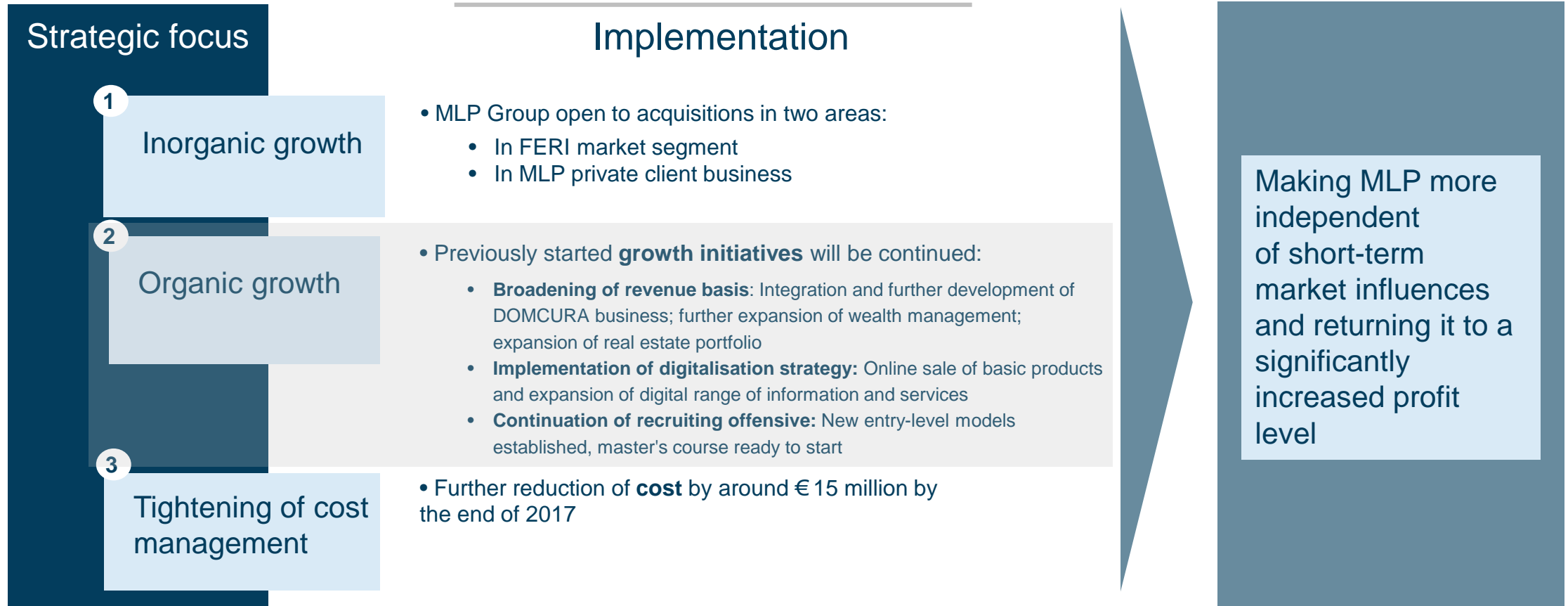


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# Continued growth initiatives

## Strategic agenda



# Outlook confirmed

## Qualitative assessment of the development of sales revenues

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	2016	2017
Revenue from old-age provision	0	0
Revenue from health insurance	+	0
Revenue from wealth management	+	+
Revenue from non-life insurance	++	+

very positive: ++, positive: +, neutral: 0, negative: -, very negative: --  
(in each case compared to the previous year)

- Costs will once again be significantly reduced in the financial year 2017 and subsequent years (positive EBIT effect of around EUR 15 million compared to 2015).
- As announced, this will incur one-off expenses of approximately EUR 15 million in the financial year 2016.

→ As of 2017, MLP anticipates a significant **increase in EBIT** over 2015

# Summary

- Significant **increase in total revenue** on **quarterly and half-year basis**
- Especially in old-age provision **market environment** remains **difficult** – discussion on statutory pension contributing to further uncertainty among consumers
- **Efficiency measures** and **growth initiatives** are running **according to schedule**
- Forecast confirmed: From **FY 2017 onwards** MLP anticipates a **significant increase in EBIT** over 2015

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# Contact

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