The MLP Group – The partner for all financial matters

Berenberg & Goldman Sachs Ninth German Corporate Conference

Reinhard Loose, CFO
September 21, 2020
MLP Group: Forward-looking and long-term support for all our clients in all life stages

Financial Consulting

- Joint brokered Real Estate volume: € 294 million**
- Joint non-life insurance premium volume: € 420 million*
- Brokered premium sum in old-age provision: € 4.2 billion**

DEUTSCHLAND Immobilien

- Joint Assets under Management: € 39.6 billion*

DOMCURA

- 21,900* Corporate Clients
- 552,400* Family Clients
- 2,014* Client Consultants

TPC

- Setting up a business
- Inheritance
- Retirement
- Travel & hobbies

Studies | Starting a career | Residential | Children | Real estate | Setting up a business | Inheritance | Retirement | Travel & hobbies
---|---|---|---|---|---|---|---|---
20 | 25 | 27 | 35 | 37 | 40 | 45 | Over 67

*H1 2020 / **FY 2019

Berenberg & Goldman Sachs Ninth German Corporate Conference
Agenda

1. MLP at a glance
2. Strategy
3. Business Performance H1 2020
MLP Group – Attractive dividend policy & stable shareholder structure

1. Attractive
   Dividend policy
   Pay out ratio: 50%–70% of net profit

2. Broad
   Research coverage

3. Stable
   Shareholder structure
   Notifications made to MLP SE >3%

- **Dividend per share in €**
  - 2013: 0.16, 2014: 0.17, 2015: 0.12, 2016: 0.08, 2017: 0.20, 2018: 0.20, 2019: 0.21

- **Dividend yield**
  - 2013: 3.10%, 2014: 4.60%, 2015: 3.30%, 2016: 1.90%, 2017: 3.60%, 2018: 4.50%, 2019: 3.80%

- **Shareholder structure**
  - 2019: 51.06%

- **Notifications made to MLP SE >3%**
  - Family Lautenschläger¹: 29.16%
  - Barmenia: 8.50%
  - Allianz: 6.18%
  - Hanse Merkur Krankenversicherung: 5.10%
  - Freefloat (Definition Deutsche Börse): 51.06%

1. Pooling agreement
2. As of September 2020

- **Notifications made to MLP SE >3%**
  - Incl. 9.19% Universal Investment Gesellschaft and HDI Pensionskasse 4.98%

- **Pay-out ratio 2019:** 62%

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

**Research coverage**
- Hauck & Aufhäuser
- Kepler Cheuvreux
- Commerzbank AG
- Pareto Securities
- Bankhaus Lampe
- Independent Research

**Shareholder structure**
- 2019: 51.06%

- 109,334,686 shares

**Dividend yield**
- 2013: 3.10%, 2014: 4.60%, 2015: 3.30%, 2016: 1.90%, 2017: 3.60%, 2018: 4.50%, 2019: 3.80%
### MLP Group

#### Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Clients*</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLP Financial Consulting</td>
<td>541,200 *Families</td>
</tr>
<tr>
<td>DOMCURA</td>
<td>419.4*</td>
</tr>
<tr>
<td>FERI</td>
<td>39.6*</td>
</tr>
<tr>
<td>MLP Banking</td>
<td>2018 2019</td>
</tr>
<tr>
<td></td>
<td>Plus 21,800 corporate and institutional clients</td>
</tr>
</tbody>
</table>

#### EBIT 2019

<table>
<thead>
<tr>
<th>Segment</th>
<th>EBIT 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLP Financial Consulting</td>
<td>€ 19.5 million</td>
</tr>
<tr>
<td>DOMCURA</td>
<td>€ 6.3 million</td>
</tr>
<tr>
<td>FERI</td>
<td>€ 23.3 million</td>
</tr>
<tr>
<td>MLP Banking</td>
<td>€ 5.3 million</td>
</tr>
</tbody>
</table>

#### Stable revenue sources

- **419.4***
  - € million
  - Non-life insurance premium volume

#### Recurring revenue

- **39.6***
  - € billion
  - Assets under management

#### Net liquidity

- **€ 153***
  - million

### Stable business with a high proportion of recurring revenue

> Positioning and liquidity form a strong basis

*H1 2020
Agenda

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Strategic further development of the MLP Group

- Broadening of revenue basis
- Even more intensive collaboration within the MLP Group
- Established as a market-shaping force in the B2B arena

2020
Target 2022: EBIT of € 75 to 85 million anticipated

Assumption: No fundamental regulatory changes with effects on the commission or project business.
Acquiring young new consultants as growth driver

- Ongoing significant investments planned in the university segment
- Increase anticipated in number of young consultants from 330 currently to 500 or 600 by the end of 2022
- Break-even anticipated in 2021 – important growth driver in the following years

Graph showing EBIT contribution from the university segment with target corridor and break-even points.
Real estate brokerage holds massive potential

 Brokered real estate volume

<table>
<thead>
<tr>
<th>Year</th>
<th>Volume in € million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>57</td>
</tr>
<tr>
<td>2015</td>
<td>137</td>
</tr>
<tr>
<td>2016</td>
<td>151</td>
</tr>
<tr>
<td>2017</td>
<td>199</td>
</tr>
<tr>
<td>2018</td>
<td>256</td>
</tr>
<tr>
<td>2019</td>
<td>294</td>
</tr>
</tbody>
</table>

**Anticipated target corridor**

- Online-portal as central hub: >6,000 associated real-estate and financial agents
- Real-estate of growing importance among MLP clients
- ~1,300 licensed MLP consultants in the meantime

CAGR 2014-2019: +38.8 %
Profile of DEUTSCHLAND. Immobilien

Brokerage and project development in the real estate sector

Business model

DEUTSCHLAND. Immobilien

Digital brokerage portal

Project development

High degree of specialisation

Age-appropriate

Nursing care

~ 6,000 sales partners

New DEUTSCHLAND. Immobilien Store at the MLP Consulting Centre in Heidelberg
DEUTSCHLAND.Immobilien: Selected project business in growth markets

Project map

Project development process

- Careful preliminary checks
- Qualification, evaluation and filtering of properties and locations
- Property committee
  - Executive Board resolution
  - Selection of profitable properties
- Property purchase and foundation of a project entity
- Sales preparation and transition to connected pool of brokers

Well-filled project pipeline + Strong market demand → Tangible business potential

Strong market demand
Tangible business potential
Strong and continuously growing revenue sources

Wealth management

FERI
- Managing around € 8.5 billion in alternative assets, such as private equity or hedge funds
- Investment share of wealthy families and professional investors in this asset class: further increase throughout the market anticipated over the next few years*

Non-life insurance

DOMCURA
- Positioning through leading role for insurance coverage in and around the home

MLP private client business
- Further potential, above all for portfolio transfers

Old-age provision

MLP private client business
- Strong new business, above all in occupational pension provision
- Share of occupational pension provision in premium sum of new old-age provision business:

*Source: BAI Alternative Investor Survey 2019 and in-house assessment
Digitalisation of the Group is progressing
Strategic agenda wrap-up

- Continuous growth thanks to increasing revenue
  - Wealth management
  - Non-life insurance
  - Old-age provision
- Growth accelerator
  - Expansion of university business
  - Project business DEUTSCHLAND.Immobilien
  - Expansion of real estate brokerage
- MLP also reaching the next level in terms of earnings
- Ongoing strict cost management
- Further acquisitions
Agenda

1. MLP at a glance
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Highlights H1 2020:

- Preliminary figures confirmed: **EBIT** significantly above the previous year's level, both for the first half of the year (€ 18.8 million as against € 12.2 million) and for the second quarter (€ 8.1 million as against € -0.3 million)

- **H1: Total revenue increased by** 9 % to **new record high** of € 359.0 million

- Above all, revenue increases recorded in **real estate brokerage** (+99 %), **wealth management** (+15 %) and **non-life insurance** (+8 %)

- **Number of consultants** surpasses the **2,000 mark** for the first time in 13 years

- **Forecast 2020**: EBIT now expected to reach the **upper end** of the corridor of € 34 and 42 million
H1: Total revenue increased to highest level since 2005

Total revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue</th>
<th>Commission Income</th>
<th>Interest Income</th>
<th>Other Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>219.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>287.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>240.1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>226.9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>300.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>359.0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

H1: Total revenue increased to highest level since 2005

Q2 2020:
- Revenue: 154.3
- Commission income: 158.2
- Interest income: 3.9
- Other revenue: 7.1

H1 2020:
- Revenue: 339.7
- Commission income: 347.6
- Interest income: 8.0
- Other revenue: 11.4
Growth primarily in real estate brokerage, wealth management and non-life insurance

Revenue H1/Q2 2020

In € million

<table>
<thead>
<tr>
<th>Service</th>
<th>H1:</th>
<th>Q2:</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old-age provision</td>
<td>78.9 (84.0)</td>
<td>39.5 (46.0)</td>
<td>-14.1 %</td>
</tr>
<tr>
<td>Wealth management</td>
<td>120.2 (104.7)</td>
<td>64.9 (54.5)</td>
<td>+19.1 %</td>
</tr>
<tr>
<td>Non-life insurance</td>
<td>88.2 (81.7)</td>
<td>23.8 (21.8)</td>
<td>+9.2 %</td>
</tr>
<tr>
<td>Health insurance</td>
<td>25.2 (23.8)</td>
<td>12.1 (11.7)</td>
<td>+3.4 %</td>
</tr>
<tr>
<td>Real estate brokerage</td>
<td>16.1 (8.1)</td>
<td>8.6 (4.8)</td>
<td>+79.2 %</td>
</tr>
<tr>
<td>Loans and mortgages*</td>
<td>8.8 (9.0)</td>
<td>4.4 (3.9)</td>
<td>+12.8 %</td>
</tr>
<tr>
<td>Interest income</td>
<td>8.0 (8.5)</td>
<td>3.9 (4.2)</td>
<td>-7.1 %</td>
</tr>
<tr>
<td>Other commissions and fees</td>
<td>2.3 (2.0)</td>
<td>1.0 (0.9)</td>
<td>+11.1 %</td>
</tr>
</tbody>
</table>

Previous year's values in brackets
*Excluding MLP Hyp
MLP Group: Development of major stock values

Non-life insurance premium volumes

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ million</td>
<td>360.1</td>
<td>385.6</td>
<td>405.5</td>
<td>419.4</td>
</tr>
</tbody>
</table>

Assets under management

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ billion</td>
<td>33.9</td>
<td>34.5</td>
<td>39.2</td>
<td>39.6</td>
</tr>
</tbody>
</table>

In each case on the reporting date December 31 and H1 on the reporting date June 30.
Number of family clients increases to 552,400

<table>
<thead>
<tr>
<th>Family clients</th>
<th>Corporate and institutional clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2018</td>
<td>535,100</td>
</tr>
<tr>
<td>June 30, 2019</td>
<td>545,800</td>
</tr>
<tr>
<td>June 30, 2020</td>
<td>552,400</td>
</tr>
</tbody>
</table>

H1: Gross number of new clients

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2018</th>
<th>June 30, 2019</th>
<th>June 30, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family clients</td>
<td>20,400</td>
<td>20,900</td>
<td>21,900</td>
</tr>
</tbody>
</table>
MLP bucks overall market trend and increases consultant numbers

Brokerage companies in the market

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>23,500</td>
<td>18,100</td>
</tr>
</tbody>
</table>

- 18 to 23% projected decrease until 2025

MLP consultants

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>H1 2019</th>
<th>2019</th>
<th>H1 2020</th>
<th>2021</th>
<th>2022e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1,909</td>
<td>1,928</td>
<td>1,913</td>
<td>1,981</td>
<td>2,014</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Planned increase up to end of 2022

Source: EY Innova value
Sustainable turnaround in the increase of consultant numbers

Development in consultant numbers

In each case on an annual basis, H1 as of 30.06.

- Successful development of the "young" segment
- Additional recruiting of industry experts
H1: Significant rise in EBIT despite coronavirus impact

### Income statement

<table>
<thead>
<tr>
<th>In € million</th>
<th>Q2 2019</th>
<th>Q2 2020</th>
<th>H1 2019</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>151.4</td>
<td>165.3</td>
<td>329.2</td>
<td>359.0</td>
</tr>
<tr>
<td>EBIT</td>
<td>-0.3</td>
<td>8.1</td>
<td>12.2</td>
<td>18.8</td>
</tr>
<tr>
<td>Finance cost</td>
<td>-0.3</td>
<td>0</td>
<td>-0.6</td>
<td>-1.0</td>
</tr>
<tr>
<td>EBT</td>
<td>-0.7</td>
<td>8.1</td>
<td>11.6</td>
<td>17.8</td>
</tr>
<tr>
<td>Taxes</td>
<td>0.6</td>
<td>-2.5</td>
<td>-2.6</td>
<td>-4.7</td>
</tr>
<tr>
<td>Net profit</td>
<td>-0.1</td>
<td>5.6</td>
<td>9.0</td>
<td>13.1</td>
</tr>
<tr>
<td>EPS in € (diluted/basic)</td>
<td>0.00</td>
<td>0.05</td>
<td>0.08</td>
<td>0.12</td>
</tr>
</tbody>
</table>

**EBIT H1 2020:**
- Claims for VAT refunds settled: positive on-off: € 3.4 million
- Significantly higher performance Fees accrued by our subsidiary FERI
## Strong balance sheet

### Balance sheet overview

<table>
<thead>
<tr>
<th></th>
<th>Dec 31, 2019</th>
<th>June 30, 2020</th>
<th>Equity ratio: 14.1 %</th>
<th>Core capital ratio 18.9 %</th>
<th>Net liquidity € 153 million</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>183.1</td>
<td>180.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>178.6</td>
<td>226.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables from clients in the banking business</td>
<td>872.2</td>
<td>832.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables from banks in the banking business</td>
<td>728.1</td>
<td>848.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receivables and assets</td>
<td>168.6</td>
<td>167.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>510.8</td>
<td>587.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities and shareholders’ equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>437.6</td>
<td>423.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>101.6</td>
<td>95.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities due to clients in the banking business</td>
<td>1,894.8</td>
<td>2,142.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities due to banks in the banking business</td>
<td>98.4</td>
<td>101.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other liabilities</td>
<td>250.6</td>
<td>224.9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,799.6</td>
<td>3,006.3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Forecast 2020

Qualitative assessment of revenue development

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

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

Earnings performance (EBIT)

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>46.4</td>
</tr>
<tr>
<td>2019</td>
<td>47.1</td>
</tr>
<tr>
<td>2020e</td>
<td>42</td>
</tr>
</tbody>
</table>

MLP anticipates an EBIT of €34 to 42 million for 2020
Planning for 2022 confirmed: EBIT of € 75 to 85 million anticipated

**EBIT performance**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target 2022</th>
<th>Ongoing cost management slowing down increase in admin costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT 2019</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td></td>
<td>85</td>
<td></td>
</tr>
</tbody>
</table>

**Growth driver**

- Expansion of university business
- Expansion of real estate brokerage
- Project business DEUTSCHLAND Immobilien
- Consistent growth across various consulting fields

**Assumption:** No fundamental regulatory changes with effects on the commission or project business.
Summary

• MLP is currently doing well despite the coronavirus pandemic: strong revenue growth in H1 and also significantly increased earnings.

• MLP will remain resolute in the second half of the year and take the opportunities when they present themselves in the market – but coronavirus-related market risks remain.

• Mid-term planning confirmed: all earnings drivers continue to develop as planned.
Financial calendar 2020 & contact details

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 16–18, 2020</td>
<td>Deutsches Eigenkapitalforum</td>
</tr>
<tr>
<td>November 12, 2020</td>
<td>9M/Q3 results</td>
</tr>
</tbody>
</table>

MLP Investor Relations

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