

## MLP starts the new year with operating EBIT EUR 8.8 million

- Q1: Total revenue rises from EUR 130.0 to EUR 152.4 million
- At EUR 8.8 million, operating earnings before interest and tax (EBIT) is 26 % above the previous year (Q1 2015: EUR 7.0 million)
- Outlook: Efficiency measures introduced on schedule, as announced EBIT level should rise again significantly from 2017 onwards

**Wiesloch, May 12, 2016** – The MLP Group enjoyed a good start to 2016 with an increase in total revenue from EUR 130.0 million to EUR 152.4 million. Around EUR 30.7 million of this can be attributed to DOMCURA, the subsidiary acquired in June 2015 whose business model generates high premiums in the first quarter of each year and which was not yet included in the previous year's figure. Operating earnings before interest and taxes (EBIT) increased from EUR 7.0 million to EUR 8.8 million.

From January to March 2016, early indicators for future revenue performance developed positively. For example, the number of new family clients gained in comparison with the same period of the previous year increased by 13.5 percent to 4,200 (Q1 2015: 3,700). New business in the field of old-age provision also recorded gains.

"The market is still not making it easy for us and we need to fight hard for our success. We registered several positive signals in the first three months

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of the year, although these still need to consolidate. In addition to this, the efficiency measures we announced in February were introduced on schedule. We are generally satisfied with the start to the year, not least because our new offer at DOMCURA is displaying pleasing development. The renewed debate on the future of private old-age provision, which is in many cases characterised by ignorance, serves to underline just how difficult our environment remains," comments Chief Executive Officer Dr. Uwe Schroeder-Wildberg.

#### **Total revenue increases to EUR 152.4 million**

Total revenue rose to EUR 152.4 million in the first quarter (Q1 2015: EUR 130.0 million). At EUR 143.6 million (EUR 120.3 million), commission income made the greatest contribution. At EUR 5.2 million (EUR 5.6 million), interest income was slightly below the previous year's figure.

The breakdown by consulting fields reveals significant growth in the field of non-life insurance, in which revenues increased from EUR 20.1 million to EUR 50.7 million. Around EUR 30.5 million of this is attributable to the newly acquired subsidiary DOMCURA, which recorded a successful start to the year. The field of loans and mortgages also recorded gains with revenue of EUR 3.6 million (EUR 3.2 million). Both the health insurance business (EUR 11.8 million compared to EUR 11.8 million in the same quarter of the previous year) and other commission and fees (EUR 2.4 million compared to EUR 2.5 million in the same quarter of the previous year) are at the Q1 2015 level.

Other commission and fees primarily reflect the brokerage of real estate objects, which has been significantly intensified since 2014.

At EUR 582 million, new business in the field of old-age provision is 2 percent above the previous year (EUR 570 million). Yet despite this, revenue in this field of consulting declined from EUR 42.0 million to EUR 36.1 million. This can largely be attributed to a one-time positive effect in the same period of the previous year. As communicated one year ago, this is due to the rectification of an incorrect account settlement by a product partner. The field of wealth management continued to display positive development and assets under management increased to EUR 29.3 billion as at March 31, 2016 (December 31, 2015: EUR 29.0 billion). At EUR 38.9 million (Q1 2015: EUR 40.7 million), revenues displayed a slight downward trend. This was due to the very strong capital market development recorded in the previous year.

### **Operating EBIT up to EUR 8.8 million**

EBIT rose to EUR 8.7 million in the first quarter (EUR 7.0 million). Operating EBIT stood at EUR 8.8 million, since the one-off expenses announced within the scope of the efficiency measures will mainly be accrued from Q2 onwards. Net profit for the period is EUR 6.2 million, following EUR 5.2 million in the previous year.

## **MLP serves 511,000 family as well as 18,300 corporate clients**

As announced at the annual press conference, the MLP Group is adapting the way it counts clients to the revised Group structure. As of this quarter MLP will differentiate between family clients – whether at MLP, ZSH or FERI – on the one hand and corporate and institutional clients on the other. This group includes clients in the field of occupational pension provision as well as institutional clients at FERI and sales partners at DOMCURA. Accordingly, the Group served 511,000 family clients as at March 31 (December 31, 2015: 510,200), as well as 18,300 corporate and institutional clients (December 31, 2015: 18,200).

The number of consultants displays the standard seasonal dip expected at the start of the year. As of March 31, some 1,931 client consultants were working for MLP (December 31, 2015: 1,942).

## **Outlook: Significant increase in EBIT still anticipated for 2017**

In February, MLP introduced measures to further tighten the cost management approach of the last few years. The aim is to significantly reduce costs once again in the financial year 2017 and the following years and to achieve a positive EBIT effect of around EUR 15 million compared to the financial year 2015. As announced, this will incur one-off expenses of approximately EUR 15 million in the financial year 2016.

The efficiency measures have been launched over the last few weeks. "We are on schedule and are thereby laying the foundations to once again record a significant increase in EBIT from the financial year 2017 onwards," comments Chief Financial Officer Reinhard Loose.

### An overview of key figures

MLP Group (in EUR million)	Q1/2016	Q1/2015	Change in %
Revenue	148.8	125.9	18
Commission income	143.6	120.3	19
Interest income	5.2	5.6	-7
Other revenue	3.6	4.1	-12
<b>Total revenue</b>	<b>152.4</b>	<b>130.0</b>	<b>17</b>
<b>Operating EBIT</b>	<b>8.8</b>	<b>7.0</b>	<b>26</b>
<b>Earnings before interest and tax (EBIT)</b>	<b>8.7</b>	<b>7.0</b>	<b>24</b>
<b>Earnings before tax (EBT)</b>	<b>8.6</b>	<b>6.9</b>	<b>25</b>
<b>Net profit for the period</b>	<b>6.2</b>	<b>5.2</b>	<b>19</b>
<b>Earnings per share (diluted) in euros</b>	<b>0.06</b>	<b>0.05</b>	<b>20</b>
<b>Family Clients</b>	<b>511,000</b>	<b>510,200*</b>	<b>0</b>
<b>Corporate/Institutional Clients</b>	<b>18,300</b>	<b>18,200*</b>	<b>0</b>
<b>Consultants</b>	<b>1,931</b>	<b>1,942*</b>	<b>-1</b>

\*) As at December 31, 2015

## **About MLP:**

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 Marschollek founded MLP in 1971. Just under 2,000 client consultants and around 1,800 employees work at MLP.