

INVESTOR RELATIONS

Stock market year 2017 – Development of the markets

Developments on the financial markets were once again shaped by the decisions of the central banks in the first half of 2017. However, geopolitical issues such as the presidential elections in France, the implementation of the political goals of US President Donald Trump and the parliamentary elections in the United Kingdom also had an impact on the stock markets. The looming conflict between the US and North Korea, as well as the crisis in Qatar only unsettled investors briefly. The economic data in Europe and the US was generally positive and led to optimism among investors. In particular, technology shares and small caps recorded above-average inflows into funds in the first six months of the year and developed far better than the blue chips. A lack of investment alternatives due to the ongoing low-interest-rate policy of the European Central Bank (ECB) continued to motivate investors to put their money into shares and led to new record levels on the indices. The SDAX hit a new record of 11,337 points at the start of June, while the DAX also reached a new high of 12,951 points later in the month. When the US Federal Reserve (Fed) then raised the interest rate for the second time in 2017 as anticipated, it presented a surprisingly ambitious outlook, which led to uncertainty among investors and motivated them to sell shares. In this phase technology stocks were among the hardest hit, yet small cap indices outside the tech sector were also affected by pronounced profit taking. An analysis performed by Goldman Sachs regarding a potential overvaluation of the technology sector served to further reinforce this trend. A global hacker attack, as well as doubts regarding the economic aims of US President Trump also unsettled investors.

In the second half of the year, however, the stock markets were able to continue their positive development and once again record significant gains. Impressive quarterly reports from companies, in addition to solid economic data on both sides of the Atlantic, supported the trend and helped instil a sense of confidence among investors. Although the North Korea conflict and the extremely dangerous hurricane "Irma" generated a degree of uncertainty, their negative effects on share prices only lasted a short time. The ECB's upwards revised growth forecasts for the eurozone convinced investors that the economy was in a healthy condition. The signal from the US Federal Reserve that another interest rate increase was scheduled for December and the return of monthly bond purchases by the ECB were seen as clear indicators of their optimism regarding the economy. After the North Korea conflict had increasingly receded into the background and the German parliamentary elections failed to deliver any new impetus, the prospect of an imminent tax reform in the US was able to spur on the stock markets, which in turn reached new record levels. Following the above-average development of the global stock markets, companies reached ratings that can best be described as ambitious. At 13,525 points, the DAX reached its highest level of the year at the start of November, while MDAX, SDAX and TecDAX also reached new record levels. Disappointing operating results and renewed doubt regarding the success of the US tax reform led to pronounced profit taking in the final quarter. Yet despite this, at least the US stock exchanges managed to recover quickly, setting new record levels at the start of December. Solid economic data on both sides of the Atlantic was enough to convince investors and signal a recovery. Technology stocks were the only ones that struggled to get back on a sound footing and were once again among the losers. In Europe, the upturn in share prices was held back by the strong Euro, which gained ground again at the end of the year and climbed towards the USD 1.20 mark.

MLP share

The MLP SE share enjoyed encouraging development in 2017. Following a rather modest start to the new year, the share recorded significant gains in the course of the first quarter. While it started the year at a price of €4.11, the share rose to €5.47 by March 31 and thereby reached its highest level for more than three years. This trend was supported by the overall positive mood on the capital markets and successful company development. MLP recorded its best start to the year for five years. The readmission to the SDAX in March then generated additional purchasing interest and the share price continued its upwards trend throughout the rest of the reporting period.

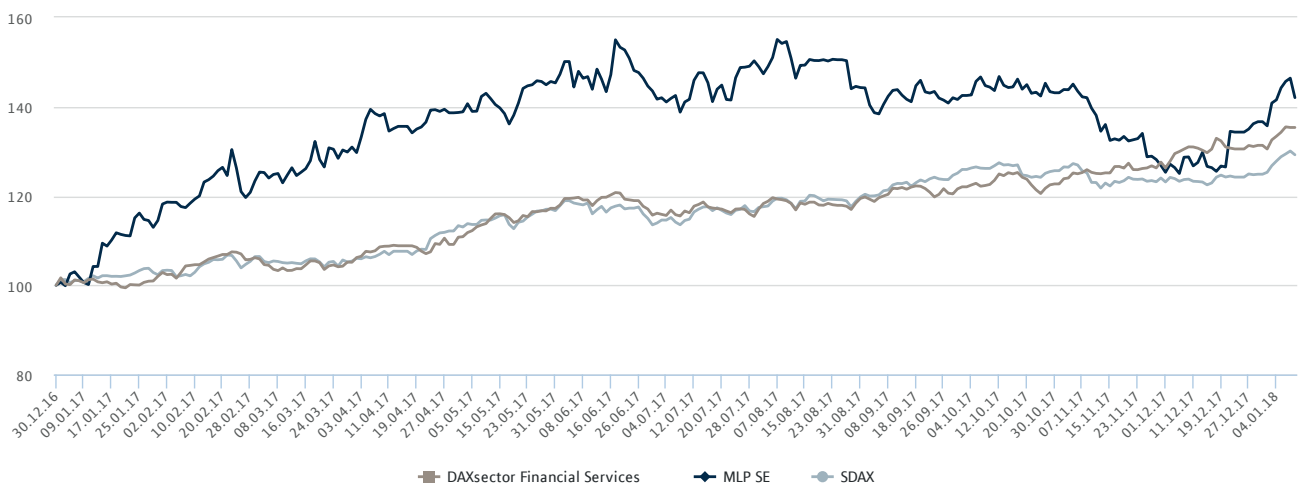
After the share price had reached its annual high of €6.47 on June 20, some short-term profit-taking was observed and the price had declined to €5.60 by the start of July. Positive corporate reports and a favourable stock market environment then secured fast recovery and the share price was soon being quoted at levels near to the annual highs once again. The North Korea conflict put the stock exchanges under pressure at the start of September and the value of the MLP share then declined again to €5.64. In the final quarter, the MLP share was then initially able to benefit from the good sentiment in the financial markets and again reach values above the €6 mark. The share price oscillated at a high level around the 38-day line until the start of November before profit taking was observed again in November and the price declined to €5.15. Significant purchasing interest at the end of the year, and the gains associated with this, then led to the share price rising to €5.63 by the end of the year. The MLP share therefore gained almost 37% over the course of 2017. The DAX recorded an increase of 12.5%, while the SDAX gained 24.9%. The MDAX rose 18.1% in 2017.

You can find further information on the MLP share in the [➤ "MLP Share"](#) section of our Investor Relations page at www.mlp-se.de.

The MLP SE share was once again included in the SDAX of the German stock exchange with effect from March 22, 2017. The increase in the share price over the last few months and the greater trading volume were the main reasons for this and can be attributed to the positive fundamental further development of the MLP Group. In the course of the regular adjustment of the SDAX, the MLP share is no longer member of the index since March 19, 2018. On the basis of a further successful operating development our objective is to once again return to the SDAX.

Readmission to the SDAX

MLP share, SDAX, DAXsector Financial Services 2017



Dividend

MLP will continue its consistent dividend policy for the financial year 2017. As announced, the Executive Board will base its dividend proposal for the 2017 financial year on the operating net profit (before one-off expenses) and will continue to maintain a distribution rate of between 50% and 70%. In concrete terms, the Executive Board and Supervisory Board will propose a dividend of €0.20 per share at the Annual General Meeting on June 14, 2018. This corresponds to a distribution rate of 64% of net operating profit.

Key figures compared to previous year

		2017	2016	2015	2014	2013
Shares in circulation at the end of the year	in units	109,334,686	109,334,686	109,334,686	107,877,738	107,877,738
Share price at the beginning of the year	in €	4.11	3.67	3.71	5.29	5.08
Share price at the end of the year	in €	5.63	4.18	3.67	3.71	5.21
Share price high	in €	6.47	4.25	4.26	5.98	6.58
Share price low	in €	4.11	2.57	3.48	3.48	4.41
Market capitalisation at the end of the year	in € million	615.6	456.5	401.3	400.2	562.2
Average daily turnover of shares	in units	171,210	93,390	80,996	43,775	47,302
Dividend per share	in €	0.20*	0.08	0.12	0.17	0.16
Total dividend	in € million	21.9*	8.7	13.1	18.3	17.3
Return on dividend	in %	3.6*	1.9	3.3	4.6	3.1
Earnings per share	in €	0.25	0.13	0.17	0.27	0.22
Diluted earnings per share	in €	0.25	0.13	0.17	0.27	0.22

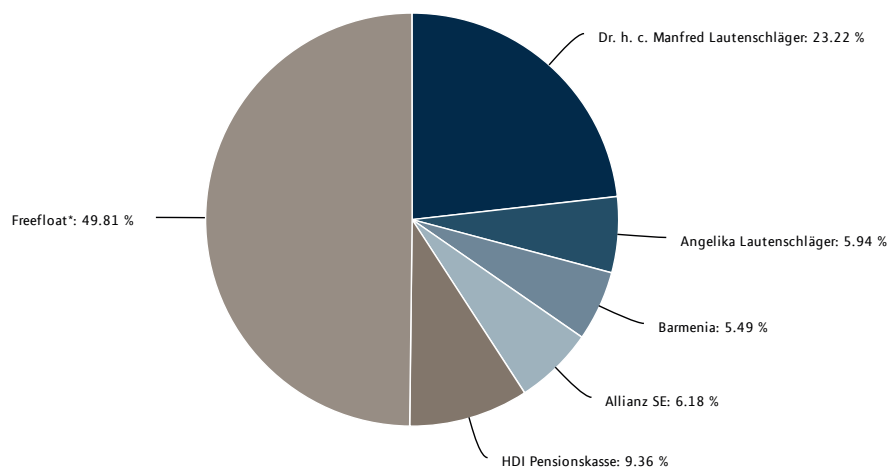
*Subject to the consent for the Annual General Meeting on June 14, 2018
 **related to share price at year end

The following changes were made in the reporting period. The share of the voting rights held by FMR LLC (Fidelity) fell to 2.95% (4.99%) by August 1, 2017. On the other hand, the share of the voting rights held by INKA Internationale Kapitalanlagegesellschaft mbH, Düsseldorf increased. Indeed, it rose to 5.03% as at July 19, 2017 (3.03%).

Changes to the shareholder structure

The free float in the 2017 financial year remained unchanged at 49.8%. In line with the German Stock Exchange's definition, institutional investors are not taken into consideration when determining the free float. The following chart provides an overview of the major shareholders.

MLP Shareholder structure as of December 31, 2017



* Definition of free float on the German Stock Exchange; including additional voting rights pursuant to Section 22 of the German Securities Trading Act (WpHG)

Investor relations activities

The goal of our investor relations activities is to establish a continuous and open dialogue with our shareholders, potential investors and the capital market. We are keen to establish and build on trust among investors and support the market in assessing the value potential of our company. To this end, we provide continuous, timely and transparent information on relevant events and incorporate feedback received from capital market players. We engage in active exchange with both private and institutional investors at regular capital market events, such as roadshows, capital market conferences and our Annual General Meeting. In addition to direct contact, financial reporting is a key basis for our communication. The Annual Report plays a particularly important part here as it provides comprehensive and transparent information on all aspects of the company. Since the 2015 Annual Report, MLP has switched over to an online-only version. This allows users to call up specific information and compile their own individual download package. The report, which adapts to the respective terminal device of the user, is available at www.mlp-annual-report.com.

Online Annual Report wins German Design Award

The 2015 Online Annual Report of MLP AG was presented with the German Design Award in the category "Excellent Communications Design – Online Publications" in the fourth quarter of 2017. The jury were particularly impressed by the graphic implementation – in the style of the corporate website – and the excellent user friendliness offered by the responsive design. The German Design Award ranks among the most recognised design competitions worldwide. This year, the winners were chosen from over 5,000 entries. The jury comprised design aficionados from the fields of business, teaching and science and the design industry.

We also provide a special investor relations newsletter service, whereby anyone interested can sign up to receive e-mails about important events. Anyone who is interested can also keep up-to-date with news from the company and the sector via [twitter](https://twitter.com/mlp). You can find the investor relations section at: www.mlp-se.de/investor-relations. Please feel free to contact us if you prefer to talk to someone in person.

Key figures for business valuation and statement of financial position analysis

		2017	2016
Equity ratio	in %	18.7	19.7
Return on equity	in %	7.3	3.8
Core-capital ratio	in %	20.0	14.2
Net liquidity	in € million	215.0	184.0
Market capitalisation at the end of the year	in € million as of 31 Dec.	616.0	457.0
Total revenue	in Mio. €	628.2	610.4
EBIT	in Mio. €	37.6	19.7
Operating EBIT*	in Mio. €	46.7	35.1

*before one-off exceptional costs