

INVESTOR RELATIONS

Stock market year 2018 – Development of the markets

Following an excellent year in 2017, the international stock markets initially continued their rally into the new year, delivering a successful start to 2018. The strength of the global economy and ongoing growth in corporate profits bolstered the stock markets and led to new record highs. However, interest rate fears put an abrupt end to the record rally in February and led to a wave of profit-taking. Investors feared a tightening of monetary policy by the designated Head of the US Federal Reserve, Jerome Powell. In addition to this, Company valuations had also risen to a high level, making shares susceptible to sale. Confidence in a stable global economic upswing helped prices to rise again over the course of the year. However, the recovery phases on the financial markets were repeatedly held back by troublesome tissues. These focused primarily on the trade dispute between the US and China, followed by political issues such as the crisis in Syria, the elections in Italy and the government crisis in Spain. The unilateral cancellation of the Iran nuclear deal by the US government also triggered a nervousness and led to caution among investors. The debate concerning the asylum policy also occasionally served to erode purchasing interest in Germany. Statements issued by the central banks were also a topic for discussion on the financial markets, although any actual effects on prices were mostly short-term. Comments made by ECB boss Mario Draghi about growth in Europe have already peaked had a negative effect on the euro. In addition to this, a surprisingly clear schedule for exiting the expansive monetary policy served to weaken the single currency. The economic data painted a generally mixed picture, with sentiment increasingly deteriorating toward the end of the year. A sense of disillusionment could be observed on the global stock markets in the last few trading months, leading to ongoing profit-taking.

At the end of the year, the downward trend once again accelerated and thereby finally destroyed any hopes of a year-end rally. Familiar issues, such as further tightening of the monetary policy at the major central banks, global deterioration of the sentiment indicators, as well as quarterly reports from companies with subdued outlooks served to unsettle investors. Although the parties in the Brexit negotiations between the UK and the EU were ultimately able to reach an agreement on the UK's withdrawal from the EU, British PM Theresa May lost a parliamentary vote at the last minute due to a lack of support from MPs on both sides of the house. A growing sense of economic scepticism among many market members, coupled with announcements made by the central bank, ultimately led to the interest rate signals from the Federal Reserve and the ECB for 2019 being called into question.

Hence, the overall performance of the major indices in 2018 produced a somewhat sobering picture. Right at the bottom of the performance list was the SDAX, which recorded a loss of 20.0%, closely followed by the leading index DAX with a loss of 18.3% and the MDAX with a loss of 17.6%. The highly praised technology stocks were unable to maintain their rally to the end of the year and ultimately also had to bow to the pessimistic mood prevailing on the stock markets. At minus 3.1%, the year-on-year performance of the TecDAX is also disappointing, especially since the index was still delivering double-digit growth rates mid-year.

MLP share

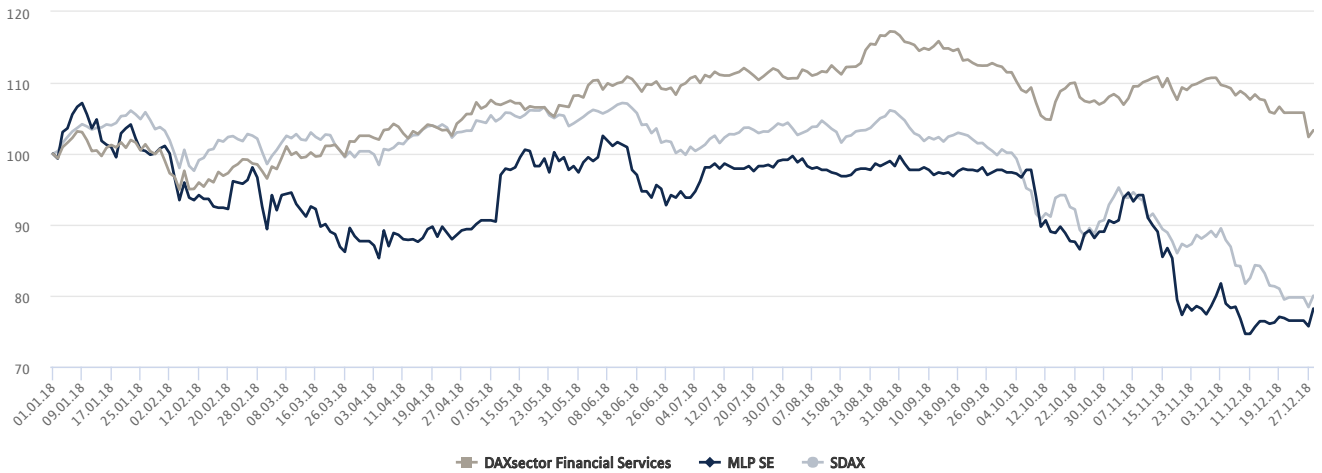
The MLP SE share displayed mixed development in 2018. Following a positive start to the new year it recorded significant gains in the first few weeks of trading. In fact, at a price of € 6.06 it already reached its highest level in the reporting period on January 9, which then led to some minor profit-taking. The stock market environment, which remained positive, was initially able to prevent any further losses. However, following the previous record highs, sentiment in the financial markets changed rapidly in February and also dragged the MLP share price with it. The Company's successful earnings trend could only stimulate a short-term upturn in the share price. The sense of uncertainty among investors was reflected in increased volatility and led to price fluctuations, some of which were quite severe. At the start of February, the share price declined to € 5.09 before being traded again at € 5.65 at the end of the month. The message regarding removal of the share from the SDAX in March then led to disappointment among investors and the share price declined again. At the start of April, it decreased further to € 4.74, its lowest price in the first half of the year, but was able to recover quickly and reach € 5.81 in the course of the year. Impressive quarterly figures stimulated purchasing interest in the share and drove the price up. However, the MLP share also lost ground when the stock market environment started to slow again mid-June. The share price went on to stabilise itself and no major fluctuations were observed initially. In the last quarter, the share had to battle deteriorating conditions on the financial markets. It was still able to maintain a level above € 5.45 until early October, before then having to accept significant losses in the maelstrom of the stock markets and ultimately declining to € 4.80 in mid-October. However, strong performance in the third quarter was only able to convince investors for a short time. Set in particular against the background of the general market situation, progress made in the recovery phase to € 5.40 was then reversed during November. The stock markets were characterised by a sell-out mood. This also affected the MLP share, which had to accept further losses. The downward trend continued into December, but was then interrupted by slight recovery tendencies at the end of the year. The share finished at € 4.40.

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

The MLP SE share exited the SDAX share index of the German Stock Exchange with effect from March 19, 2018. The causes behind the repeat exit from the SDAX were a decline in the share price, a reduced trading volume and a change of segment by several major companies in conjunction with several new issuances. MLP's objective is a swift return to the index, backed by ongoing successful business development.

Exit from the SDAX

MLP share, SDAX, DAXsector Financial Services 2018



Dividend

MLP will continue its consistent dividend policy for the financial year 2018. As announced, the proposed dividend for the financial year 2018 will continue to target 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 May 29, 2019. This corresponds to a distribution rate of 63% of operating net profit. In the previous year, MLP had paid out 16 cents from the operating result plus 4 cents to compensate for one-off expenses.

Key figures compared to previous years

		2018	2017	2016	2015	2014
Shares in circulation at the end of the year	in units	109,334,686**	109,334,686	109,334,686	109,334,686	107,877,738
Share price at the beginning of the year	in €	5.59	4.11	3.67	3.71	5.29
Share price at the end of the year	in €	4.40	5.63	4.18	3.67	3.71
Share price high	in €	6.06	6.47	4.25	4.26	5.98
Share price low	in €	4.11	4.11	2.57	3.48	3.48
Market capitalisation at the end of the year	in € million	481.1	615.6	456.5	401.3	400.2
Average daily turnover of shares	in units	98,410	171,210	93,390	80,996	43,775
Dividend per share	in €	0.20*	0.20	0.08	0.12	0.17
Total dividend	in € million	21.9*	21.9	8.7	13.1	18.3
Return on dividend	in %	4.5*	3.6	1.9	3.3	4.6
Earnings per share	in €	0.32	0.25	0.13	0.17	0.27
Diluted earnings per share	in €	0.32	0.25	0.13	0.17	0.27

*Subject to the consent of the Annual General Meeting on May 29, 2019

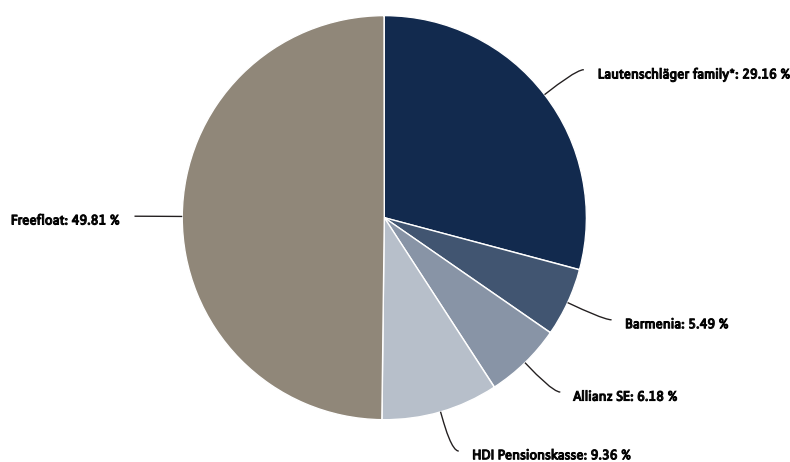
**As of December 31, 2018 168,024 shares held in treasury stock

In the last financial year, HanseMerkur Krankenversicherung AG acquired a non-strategic stake of 3.02% of shares from MLP (notification from October 30, 2018). The share of voting rights held by other shareholders remained virtually unchanged on the reporting date. The Lautenschläger family remains the largest single shareholder with a 29.16% total share of the voting rights.

Changes to the shareholder structure

The free float at the end of 2018 was 49.81%, as defined by the German stock exchange. The following figure provides an overview of the largest shareholders in MLP (with a share of more than 5.0%):

MLP SE shareholder structure as of December 31, 2018



*You can find further information, in particular on the attribution of voting rights, on our website at www.mlp-se.com/investors/mlp-share/shareholder-structure/

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. Alongside 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.

Investor Relations services

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

Key figures

In the following table, we provide you with an overview of a selection of important key figures.

Key figures for business valuation and statement of financial position analysis

		2018	2017
Equity ratio	in %	17.5	18.7
Return on equity	in %	8.5	7.3
Core capital ratio	in %	19.6	20.0
Net liquidity	in € million	225.0	215.0
Market capitalisation at the end of the year**	in € million	481.1	616.0
Total revenue	in € million	666.0	628.2
EBIT	in € million	46.4	37.6
Operating EBIT*	in € million	46.4	46.7

*before one-off expenses
**as of December 31, 2018