

Review of 2008

Corporate strategy and Investor Relations

MLP's independence remains unshakeable

The summer of 2008 saw some eventful weeks for MLP. In mid-August the Swiss insurance company Swiss Life acquired an equity stake of just under 27% in MLP – against the company's will and without consultation. To maintain independence as a key part of the company's unique business model, the Executive Board and Supervisory Board at MLP made it clear directly after the investment that no further expansion in cooperation with Swiss Life would take place. A few days later, the Executive Board concluded a capital increase to the tune of just under ten percent of the share capital acquired from three of the most important product partners – Allianz Lebensversicherung AG, AXA Lebensversicherung AG and Uberior Ena Ltd., a company of the British HBOS Group. MLP also suspended its product partnership with Swiss Life to avoid any potential conflicts of interest. Swiss Life announced that it would not attempt to further increase its number of shares without the approval of MLP. As such, MLP's unique business model was secured for the long term – and product selection continues to be made solely based on qualitative criteria.



“Our independent advice is one of MLP's key factors for success.”

DR. H. C. MANFRED LAUTENSCHLÄGER, FOUNDER AND VICE CHAIRMAN OF THE MLP AG SUPERVISORY BOARD, AUGUST 2008

Acquisition of TPC



HARALD HUHN, HEAD OF OCCUPATIONAL PENSION PROVISION, MLP

MLP AG is strengthening its occupational pension provision business segment and acquired TPC, Germany's leading provider of industry solutions for occupational pension schemes, on February 29, 2008. Alongside numerous provision solutions for leading trade associations, the Hamburg-based TPC-Group also offers consulting to larger medium-sized companies as

well as implementation of innovative concepts such as lifetime working accounts. “TPC is the ideal partner for MLP,” comments Dr. Harald Huhn, Head of Occupational Pension Provision at MLP. “Following the extremely successful development of our business segment in the last few years, with this partnership we are significantly increasing the number of attractive association and corporate clients and also opening up significant common potential.”

MLP plans ZSH acquisition

To achieve targeted expansion of its strong market position among medics, MLP has announced the acquisition of the financial services provider ZSH. The Heidelberg-based company operates as an independent broker, advising wealthy private clients, doctors and dentists in all questions of retirement and financial planning. ZSH was founded in 1973 and has around 80 consultants who look after some 50,000 clients throughout Germany. “Like MLP, ZSH excels through its independent consulting approach and a clear focus on its clients. This matches our business model perfectly,” says MLP Chairman and CEO, Dr. Uwe Schroeder-Wildberg.

Increased dividends

At the Annual General Meeting in May of last year, the shareholders in MLP AG approved an increase in dividends of one quarter to the level of € 0.50 (€ 0.40) per share with 99.98% of votes in favour. The total dividend payout therefore increases to a level of € 49 million (2006: € 40 million). More than 1,000 shareholders took part in the Annual General Meeting at the Rosengarten in Mannheim.

Consulting and products

MLP Service Award 2008

In June, the MLP Service Award 2008 was presented to product partners in the old-age provision, health insurance and non-life insurance sectors for the third time. The award is based on a survey of MLP consultants. In the field of old-age provision, Allianz, Standard Life and Alte Leipziger all shared first place. In the field of health insurance, Barmenia was once again crowned the winner, followed by uniVersa and Nürnberger. The award in the non-life insurance arena went to the Concordia Insurance Group ahead of Zurich and Janitos. "A high level of service quality on the part of our product partners creates key foundations for the satisfaction of our clients," explains MLP Executive Board member Gerhard Frieg.

Innovative concept for those on statutory insurance

A new MLP concept brings together the services of statutory and private healthcare insurance for the first time. CLEVER CARE, is a cooperation between MÜNCHENER VEREIN and IKK-Direkt and is predominantly aimed at young people on statutory insurance who, among other things, wish to have the extra security of private medical treatment in the event of a serious illness. The optional tariff CLEVER CARE allows those on statutory insurance to switch to private health insurance after exceeding the annual earnings threshold three times without having to undergo another health check. The concept consists of private supplementary insurance for optional in-patient treatment, travel health insurance and a "dread disease" module.



HORST SCHNEIDER, HEAD OF MLP WEALTH MANAGEMENT

The best asset managers

With "X of the best," MLP offers a new investment concept that brings together the expertise of twelve of the best asset managers. For this, Feri EuroRating Services relies on stock market experts who have demonstrated their abilities over many years. "With 'X of the best' our clients can invest – even with small contributions," says Horst Schneider, Head of Wealth Management at MLP.

University and career

Education symposium at the Corporate University

"Lifelong learning" as a challenge for universities, companies, politics, administration and the economy – this was the key topic at the education symposium, an event held by "Stifterverband für die Deutsche Wissenschaft" together with MLP in November 2008 at the Corporate University. The basis was a survey highlighting the need for academic further education in companies. "The first nation-wide platform addressing the topic of quaternary education showed that universities today have some excellent offers," explains Marc-Philipp Unger, Group representative at MLP for relations with universities. "We will continue to set further impulses in the important area of professional education, as both the universities and many of our clients can benefit from this."



4th MLP University Day

Over 130 leading figures from the fields of politics and science discussed the topic "Cooperation or competition? – Current challenges in the age of internationalisation of research and teaching" at the 4th MLP University Day in Berlin. Guest speakers included Prof. Margret Wintermantel (President of the HRK German Rectors' Conference).

Strong women's network

It was some 5 years ago that MLP consultant Walentina Sommer and female colleagues founded the first Women's Business Club (wbc) in Munich. In the anniversary year 2008, the network has grown to 12 sites – with successful women from various sectors regularly attending specialist lectures or exchanging experiences.
www.mlpwbc.de

Personal profiles and portraits

MLP founder Dr. h.c. Manfred Lautenschläger celebrates

With more than 400 guests in attendance, MLP founder Dr. h.c. Manfred Lautenschläger celebrated his 70th birthday on December 15, 2008, in the Heidelberg guild hall. Baden-Württemberg's premier, Günther H. Oettinger, praised him as a key entrepreneurial figure that has "won much respect and created many workplaces as cofounder of MLP".

Dr. h.c. Manfred Lautenschläger co-founded "Marschollek, Lautenschläger und Partner" (MLP) in 1971 as an independent finance broker for the target group of academics. Thanks to this business idea, which remains unique to this day, MLP has grown over the decades to become the largest independent financial consultant and today supports more than 730,000 clients with around 2,400 consultants. As already announced, on the occasion of his 70th birthday Dr. h.c. Manfred Lautenschläger passes chairmanship of the MLP Supervisory Board to Dr. Peter Lütke-Bornefeld, Chairman of the Board at Kölnische Rückversicherungs-Gesellschaft (see personal profile). However, Lautenschläger will continue to hold a position in the committee. Alongside his corporate contributions, Dr. h.c. Manfred Lautenschläger has also engaged in a great deal of social work. In 1999 he founded the Manfred Lautenschläger Foundation to promote research and science alongside cultural and social goals. The foundation ranks among the largest private foundations in Germany and supports numerous projects, predominantly in the Rhine-Neckar region. The University of Heidelberg this year awarded Dr. h.c. Lautenschläger an honorary doctorate. "As a company founder and patron, Manfred Lautenschläger has played a key role in helping shape the metropolitan region," comments Professor Dr. Claus E. Heinrich, Chairman of the Board at the "Verein Zukunft Metropolregion Rhein-Neckar" and



Board Member at SAP AG. Professor Paul Kirchhof, Federal Constitutional Court Justice, goes on to add: "In times of economic uncertainty, we look for entrepreneurs that have put down roots and created a stable base in their company and their culture. Manfred Lautenschläger personifies this like no other entrepreneur. He is an anchor shareholder for his company – a company he himself founded and built up."

New Chairman of the Supervisory Board: Dr. Peter Lütke-Bornefeld



The Supervisory Board at MLP AG unanimously voted in Dr. Peter Lütke-Bornefeld, Chairman of the Board at Kölnische Rückversicherungs-Gesellschaft, as its new Chairman. He therefore becomes Dr. h.c. Manfred Lautenschläger's successor, taking office on December 16. "Mr. Lütke-Bornefeld has played a key role in encouraging and shaping trusting cooperation in the Supervisory Board for many years," comments Dr. h.c. Manfred Lautenschläger, "I am delighted that the committee decided on him as my successor." Dr. Peter Lütke-Bornefeld (62) has been a member of the MLP Supervisory Board since May 28, 2002. The doctor of social science began his career at KKB Bank in Dusseldorf, where he was a board member from 1986 to 1989. At the start of 1990 he then moved to the Executive Board at Kölnische Rückversicherungs-Gesellschaft, in which he assumed the role of Chairman in 1993.

Communication and service

Pioneer in client relations

Following a development and test phase of just two years, one of the largest IT projects in the history of MLP was launched in June 2008. MLP is one of the first companies in the financial sector to

“With the new CRM, MLP is once again a pioneer in the financial sector.”

RALF SCHMID,
CHIEF OPERATING OFFICER MLP

introduce a comprehensive Customer Relationship Management (CRM) system. The CRM system guarantees the consistency of all data and a smooth flow of information with partner companies. With the CRM system, MLP greatly exceeds the legal documentation requirements prescribed for financial consultants based on legislation such as the EU Insurance Mediation Directive and the German Insurance Act. An example of one significant innovation in the new software is the electronic client file, in which all relevant information pertaining to the client, such as e-mails, documents or appointments, can be linked.

MLP Health Report 2008 reveals worsening care

More than half of all German citizens and doctors are complaining about a drop in the quality of healthcare. At the same time, trust in the future of the healthcare system is also receding in both groups. This is one of the core results of the 3rd MLP Health Report, which was commissioned by MLP and drawn up by the Allensbach Institute with the support of



PROF. DR. JÖRG-DIETRICH HOPPE, GERMAN MEDICAL ASSOCIATION, PROF. RENATE KÖCHER, ALLENSBACH INSTITUTE, DR. UWE SCHROEDER-WILDBERG, MLP CHAIRMAN AND CEO

the German Medical Association. In 2008, doctors were also surveyed for the first time alongside patients. Almost half of all doctors complained about the increasing cost pressure, which is preventing them from being able to dedicate enough time to their patients. Those surveyed were also critical of the new German Health Fund. Of those with statutory health insurance, almost half (47%) expect to see a drop in the level of services and 56% of citizens doubt whether the reform will be able to secure healthcare provision financially in the long term. Almost one in three doctors (31%) believes that healthcare provision is more likely to get worse with the introduction of the Health Fund.



New media campaign

In May 2008, MLP introduced a new corporate slogan entitled “Financial advice as individual as you” – a motto developed together with the brand specialist Professor Christoph Burmann from the University of Bremen. To accompany this, MLP launched a brand campaign in the second half of the year with the claim “The strategy of your life”, positioned both in high-quality print media and on television.