

MLP SE

Financial Services - Germany

Buy (old: Buy)

16.05.2025

EUR 13.00 (old: EUR 13.00)

Q1 slightly softer than expected, key drivers remain intact

Topic: MLP released Q1 results which came in slightly lower than expectations on sales and EBIT, but nevertheless show the anticipated RE recovery, which should pose the FY'25 guidance well in reach.

Sales grew by 6% yoy to € 301m, mainly driven by **Wealth** (+8% yoy to € 125m), **Life & Health** (+10% yoy to € 64m) and **P&C** (+5% yoy to € 102m), whereas sales from the nearly stopped RE development came in as expected (-92% yoy to € 0.3m).

EBIT came in at € 37.8m with a 12.6% margin (-0.4pp yoy), lower than expected (eNuW: € 42m) mainly driven by higher than initially expected commission expenses (€ 141m, +11% yoy), especially in banking and RE brokerage. Also, only minor performance fees of € 0.4m had a little impact on Q1's EBIT (EBIT effect: € 0.3m vs. € 2.5m in Q1'24, eNuW). Excluding this effect, **underlying profitability increased again by 0.2pp yoy to a 12.5% EBIT margin ex performance fees**, highlighting the robust business model, also in times of economic uncertainty and capital market volatility. On a segmental basis, the absolute yoy changes in EBIT came from Financial Consulting (+ € 2.7m), Deutschland.Immobilien (€ +2.3m) and DOMCURA (€ +0.6m), which cushioned the decline at Banking (€ -2m, due lower net interest income and higher commission expenses) and FERL (€ -2.6m, due to almost no performance fees).

Furthermore, **AuMs remained largely stable at € 62.8bn** (-0.5% qoq, of which -1.9% performance related and +1.4% from very strong net capital inflows of € 900m), which compares well against the market development (e.g. S&P 500: - 4.6% qoq).

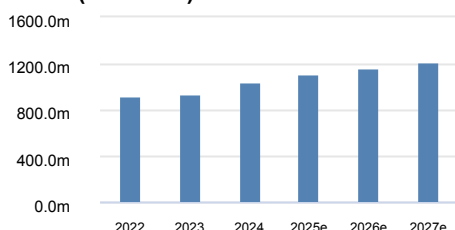
The RE recovery is going on, as sales from RE brokerage increased from a low level by 158% yoy to € 7.9m. A key highlight, was the **rising brokerage margin** (sales in % of brokered volume), which rose by 2.5pp yoy. This effect should continue throughout the year, where the sales of new higher margin brokerages, which is contracted right now, are recognized. Additionally, a few old and new development projects, which are seen to generate RE development sales to the tune of € 5-6m in FY'25e (eNuW), should altogether lead to an EBIT break-even of the Deutschland.Immobilien segment, in our view.

Against this backdrop, the FY'25 guidance seems well achievable, even in the event of only minor, but highly profitable performance fees. Therefore, we reiterate our **BUY recommendation** with an unchanged **PT of € 13.00**, based on SOTP and FCFY'25e.

Y/E 31.12 (EUR m)	2022	2023	2024	2025e	2026e	2027e
Sales	913.8	941.1	1,037.5	1,105.0	1,163.5	1,221.7
Sales growth	0.7%	3.0%	10.2%	6.5%	5.3%	5.0%
EBITDA	110.6	106.5	125.0	135.1	152.1	163.1
Net debt (if net cash=0)	-113.5	-131.0	-172.0	-185.1	-203.7	-219.2
FCF	-323.5	101.3	117.0	56.5	64.3	68.1
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.47	0.44	0.63	0.70	0.80	0.87
EBITDA margin	12.1%	11.3%	12.1%	12.2%	13.1%	13.4%
ROCE	9.9%	9.2%	11.8%	12.5%	14.2%	15.2%
EV/sales	0.6	0.5	0.4	0.6	0.6	0.6
EV/EBITDA	5.1	4.0	3.6	5.3	4.6	4.2
PER	17.4	18.5	13.0	11.8	10.2	9.4
Adjusted FCF yield	13.5%	17.1%	17.7%	12.0%	14.2%	15.8%

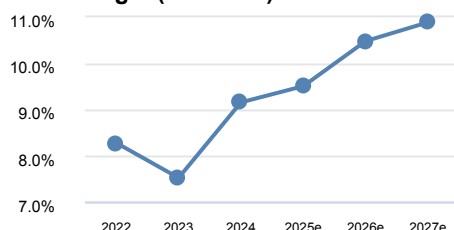
Source: Company data, NuWays, Close price as of 13.05.2025

Sales (2022-27e)



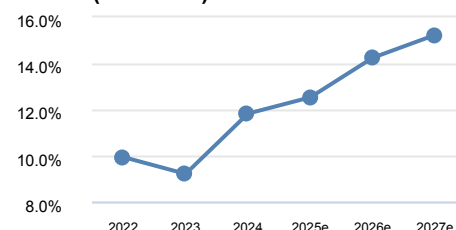
Source: NuWays Research

EBIT margin (2022-27e)



Source: NuWays Research

ROCE (2022-27e)

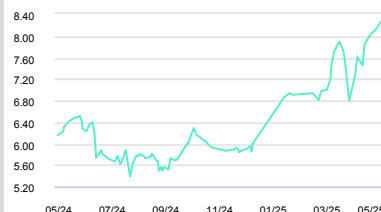


Source: NuWays Research

Company description

MLP is a leading financial services provider in Europe with a strong focus on Germany. MLP offers financial services in the fields of old-age provision, wealth management, non-life insurance, banking and real estate. The target group are students, wealthy private and institutional clients.

Share Performance



High/low 52 weeks (€)	8.27 / 5.38
3m rel. performance	4.3%
6m rel. performance	14.1%
12m rel. performance	31.6%

Market data

Share price (in €)	8.27
Market cap (in € m)	896.6
Number of shares (in m pcs)	109.2
Enterprise value (in € m)	711.5
Ø trading volume (6 months)	47,158

Identifier

Bloomberg	MLP GR
Reuters	MLPG
WKN	656990
ISIN	DE0006569908

Key shareholders

Lautenschläger Family	29.2%
HanseMerkur	10.0%
Barmenia	9.4%
Allianz SE	6.2%
Free Float	45.2%

Estimates changes

	2025e	2026e	2027e
Sales	0%	0%	0%
EBIT	-1%	4%	4%
EPS	-1%	4%	4%

Comment on changes

Guidance

- FY'25e: € 100-110m EBIT
- FY'25e: € 62-68bn AuM

Financials

Profit and loss (EUR m)	2022	2023	2024	2025e	2026e	2027e
Net sales	913.8	941.1	1,037.5	1,105.0	1,163.5	1,221.7
Sales growth	0.7%	3.0%	10.2%	6.5%	5.3%	5.0%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	913.8	941.1	1,037.5	1,105.0	1,163.5	1,221.7
Other operating income	35.4	32.4	29.1	31.0	32.7	34.3
Material expenses	477.9	473.0	514.5	552.1	570.6	595.4
Personnel expenses	187.9	209.1	233.0	244.8	262.3	276.9
Other operating expenses	172.7	184.9	194.1	204.0	211.3	220.7
Total operating expenses	803.2	834.6	912.5	969.9	1,011.5	1,058.6
EBITDA	110.6	106.5	125.0	135.1	152.1	163.1
Depreciation	35.0	35.8	30.0	30.0	30.0	30.0
EBITA	75.6	70.7	95.0	105.1	122.0	133.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	75.6	70.7	95.0	105.1	122.0	133.1
Interest income	2.8	8.4	12.5	12.5	12.5	12.5
Interest expenses	5.4	10.2	7.9	8.2	8.4	8.4
Investment income	0.1	0.0	0.0	0.0	0.0	0.0
Financial result	-2.5	-1.7	4.6	4.3	4.1	4.1
Recurring pretax income from continuing operations	73.1	69.0	99.6	109.4	126.1	137.2
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	73.1	69.0	99.6	109.4	126.1	137.2
Income tax expense	24.4	24.9	30.3	33.3	38.3	41.7
Net income from continuing operations	48.6	44.1	69.3	76.1	87.7	95.4
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	48.6	44.1	69.3	76.1	87.7	95.4
Minority interest	-2.8	-4.5	0.0	0.0	0.0	0.0
Net profit (reported)	51.5	48.6	69.3	76.1	87.7	95.4
Average number of shares	109.2	109.2	109.2	109.2	109.2	109.2
EPS reported	0.47	0.44	0.63	0.70	0.80	0.87

Profit and loss (common size)	2022	2023	2024	2025e	2026e	2027e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales growth	0.7%	3.0%	10.2%	6.5%	5.3%	5.0%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other operating income	3.9%	3.4%	2.8%	2.8%	2.8%	2.8%
Material expenses	52.3%	50.3%	49.6%	50.0%	49.0%	48.7%
Personnel expenses	20.6%	22.2%	22.5%	22.2%	22.5%	22.7%
Other operating expenses	18.9%	19.6%	18.7%	18.5%	18.2%	18.1%
Total operating expenses	87.9%	88.7%	87.9%	87.8%	86.9%	86.6%
EBITDA	12.1%	11.3%	12.1%	12.2%	13.1%	13.4%
Depreciation	3.8%	3.8%	2.9%	2.7%	2.6%	2.5%
EBITA	8.3%	7.5%	9.2%	9.5%	10.5%	10.9%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	8.3%	7.5%	9.2%	9.5%	10.5%	10.9%
Interest income	0.3%	0.9%	1.2%	1.1%	1.1%	1.0%
Interest expenses	0.6%	1.1%	0.8%	0.7%	0.7%	0.7%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	0.4%	0.4%	0.3%	0.3%
Recurring pretax income from continuing operations	8.0%	7.3%	9.6%	9.9%	10.8%	11.2%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	8.0%	7.3%	9.6%	9.9%	10.8%	11.2%
Tax rate	33.4%	36.0%	30.4%	30.4%	30.4%	30.4%
Net income from continuing operations	5.3%	4.7%	6.7%	6.9%	7.5%	7.8%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	5.3%	4.7%	6.7%	6.9%	7.5%	7.8%
Minority interest	-0.3%	-0.5%	0.0%	0.0%	0.0%	0.0%
Net profit (reported)	5.6%	5.2%	6.7%	6.9%	7.5%	7.8%

Source: Company data, NuWays

Balance sheet (EUR m)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	234.5	225.5	221.9	221.9	221.9	221.9
Property, plant and equipment	136.6	142.3	157.9	157.9	157.9	157.9
Financial assets	247.1	186.3	191.4	191.4	191.4	191.4
FIXED ASSETS	618.2	554.1	571.1	571.1	571.1	571.1
Inventories	51.9	39.6	26.2	26.2	26.2	26.2
Accounts receivable	1,902.5	2,010.1	2,120.7	2,120.7	2,120.7	2,120.7
Other assets and short-term financial assets	242.4	248.7	271.1	271.1	271.1	271.1
Liquid assets	961.2	1,053.9	1,150.3	1,167.4	1,186.1	1,201.5
Deferred taxes	8.4	11.1	12.9	12.9	12.9	12.9
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	3,166.4	3,363.3	3,581.2	3,598.3	3,616.9	3,632.4
TOTAL ASSETS	3,784.6	3,917.5	4,152.3	4,169.4	4,188.0	4,203.5

SHAREHOLDERS EQUITY	527.4	538.5	570.5	583.4	602.0	617.5
MINORITY INTEREST	-1.9	-6.3	-0.2	0.0	0.0	0.0
Long-term liabilities to banks	137.0	140.6	152.8	152.8	152.8	152.8
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	2,633.5	2,764.6	2,914.0	2,914.0	2,914.0	2,914.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	97.6	104.2	106.8	106.8	106.8	106.8
NON-CURRENT LIABILITIES	2,868.1	3,009.4	3,173.6	3,173.6	3,173.6	3,173.6
Short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	0.0	0.0	0.0	4.0	4.0	4.0
Other liabilities (incl. from lease and rental contracts)	371.7	358.5	387.8	387.8	387.8	387.8
Deferred taxes	19.3	17.3	20.6	20.6	20.6	20.6
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	391.0	375.8	408.4	412.4	412.4	412.4
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	3,784.6	3,917.5	4,152.3	4,169.4	4,188.0	4,203.5

Balance sheet (common size)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	6.2%	5.8%	5.3%	5.3%	5.3%	5.3%
Property, plant and equipment	3.6%	3.6%	3.8%	3.8%	3.8%	3.8%
Financial assets	6.5%	4.8%	4.6%	4.6%	4.6%	4.6%
FIXED ASSETS	16.3%	14.1%	13.8%	13.7%	13.6%	13.6%
Inventories	1.4%	1.0%	0.6%	0.6%	0.6%	0.6%
Accounts receivable	50.3%	51.3%	51.1%	50.9%	50.6%	50.5%
Other assets and short-term financial assets	6.4%	6.3%	6.5%	6.5%	6.5%	6.4%
Liquid assets	25.4%	26.9%	27.7%	28.0%	28.3%	28.6%
Deferred taxes	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	83.7%	85.9%	86.2%	86.3%	86.4%	86.4%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	13.9%	13.7%	13.7%	14.0%	14.4%	14.7%
MINORITY INTEREST	-0.0%	-0.2%	-0.0%	0.0%	0.0%	0.0%
Long-term liabilities to banks	3.6%	3.6%	3.7%	3.7%	3.6%	3.6%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	69.6%	70.6%	70.2%	69.9%	69.6%	69.3%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	2.6%	2.7%	2.6%	2.6%	2.5%	2.5%
NON-CURRENT LIABILITIES	75.8%	76.8%	76.4%	76.1%	75.8%	75.5%
Short-term liabilities to banks	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts payable	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Other liabilities (incl. from lease and rental contracts)	9.8%	9.2%	9.3%	9.3%	9.3%	9.2%
Deferred taxes	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	10.3%	9.6%	9.8%	9.9%	9.8%	9.8%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2022	2023	2024	2025e	2026e	2027e
Net profit/loss	48.6	44.1	69.3	76.1	87.7	95.4
Depreciation of fixed assets (incl. leases)	35.0	35.8	30.0	30.0	30.0	30.0
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	4.9	2.0	11.2	0.0	0.0	0.0
Cash flow from operating activities	-319.3	98.9	142.6	85.2	95.8	102.5
Increase/decrease in inventory	-17.3	12.3	13.4	0.0	0.0	0.0
Increase/decrease in accounts receivable	-462.9	-107.5	-110.7	0.0	0.0	0.0
Increase/decrease in accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in other working capital positions	117.4	131.1	149.4	0.0	0.0	0.0
Increase/decrease in working capital	-362.8	35.9	52.1	0.0	0.0	0.0
Cash flow from operating activities	-301.3	117.9	162.6	106.2	117.8	125.5
CAPEX	22.3	16.6	45.6	49.7	53.5	57.4
Payments for acquisitions	13.9	0.0	0.0	0.0	0.0	0.0
Financial investments	48.3	63.2	0.0	0.0	0.0	0.0
Income from asset disposals	0.1	-18.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-84.4	28.6	-45.6	-49.7	-53.5	-57.4
Cash flow before financing	-418.5	-12.7	84.2	17.1	18.6	15.5
Increase/decrease in debt position	-5.0	-20.4	12.2	0.0	0.0	0.0
Purchase of own shares	0.4	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	32.8	32.8	32.8	39.4	45.7	52.6
Others	-1.3	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	12.4	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-39.5	-53.2	-20.6	-39.4	-45.7	-52.6
Increase/decrease in liquid assets	-412.8	-33.2	96.4	17.1	18.6	15.5
Liquid assets at end of period	965.0	1,053.9	1,150.3	1,167.4	1,186.1	1,201.5

Key ratios (EUR m)	2022	2023	2024	2025e	2026e	2027e
P&L growth analysis						
Sales growth	0.7%	3.0%	10.2%	6.5%	5.3%	5.0%
EBITDA growth	-10.8%	-3.7%	17.4%	8.0%	12.6%	7.3%
EBIT growth	-21.9%	-6.5%	34.3%	10.6%	16.1%	9.1%
EPS growth	-17.7%	-5.6%	42.6%	9.9%	15.3%	8.8%
Efficiency						
Sales per employee	500.6	505.5	546.3	570.4	588.9	606.2
EBITDA per employee	60.6	57.2	65.8	69.7	77.0	81.0
No. employees (average)	1,825	1,862	1,899	1,937	1,976	2,015
Balance sheet analysis						
Avg. working capital / sales	-46.5%	-65.9%	-44.9%	-43.5%	-42.6%	-40.6%
Inventory turnover (sales/inventory)	17.6	23.8	39.6	42.2	42.2	42.2
Accounts receivable turnover	759.9	779.6	746.1	700.5	665.3	633.6
Accounts payable turnover	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow analysis						
Free cash flow	-323.5	101.3	117.0	56.5	64.3	68.1
Free cash flow/sales	-35.4%	10.8%	11.3%	5.1%	5.5%	5.6%
FCF / net profit	neg.	229.5%	168.9%	74.2%	73.3%	71.4%
Capex / sales	7.7%	8.5%	4.4%	4.5%	4.6%	4.7%
Solvency						
Net debt	-113.5	-131.0	-172.0	-185.1	-203.7	-219.2
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	67.4%	74.3%	56.8%	60.0%	60.0%	60.0%
Interest paid / avg. debt	4.1%	7.3%	5.4%	5.3%	5.5%	5.5%
Returns						
ROCE	9.9%	9.2%	11.8%	12.5%	14.2%	15.2%
ROE	9.8%	9.0%	12.1%	13.0%	14.6%	15.5%
Adjusted FCF yield	13.5%	17.1%	17.7%	12.0%	14.2%	15.8%
Dividend yield	3.7%	3.7%	4.4%	5.1%	5.9%	6.4%
DPS	0.3	0.3	0.4	0.4	0.5	0.5
EPS reported	0.47	0.44	0.63	0.70	0.80	0.87
Average number of shares	109.2	109.2	109.2	109.2	109.2	109.2
Valuation ratios						
P/BV	1.7	1.7	1.6	1.5	1.5	1.5
EV/sales	0.6	0.5	0.4	0.6	0.6	0.6
EV/EBITDA	5.1	4.0	3.6	5.3	4.6	4.2
EV/EBIT	7.4	6.0	4.8	6.8	5.7	5.1

Source: Company data, NuWays

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Company	Disclosures
MLP SE	2

Historical target price and rating changes for MLP SE

Company	Date	Analyst	Rating	Target Price	Close
MLP SE	14.03.2025	Wendisch, Henry	Buy	EUR 13.00	EUR 6.99
	06.02.2025	Wendisch, Henry	Buy	EUR 12.50	EUR 6.90
	08.10.2024	Wendisch, Henry	Buy	EUR 12.00	EUR 5.70
	16.05.2024	Wendisch, Henry	Buy	EUR 11.50	EUR 5.83

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjustment

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8. Miscellaneous

According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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