



Annual press conference

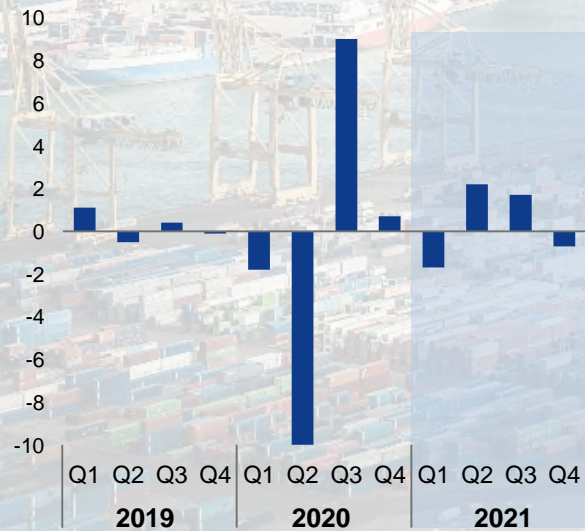
Frankfurt, March 2, 2022

 **DZ BANK** Group

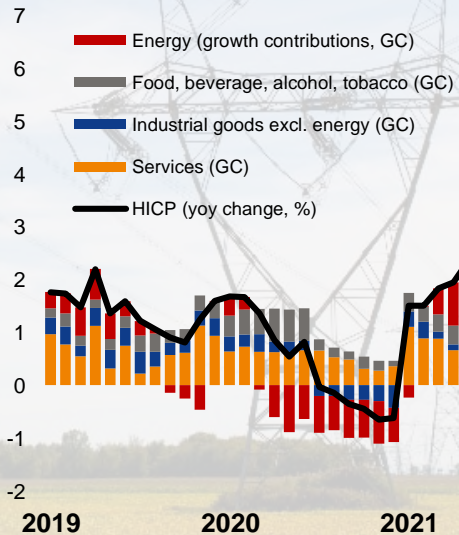
External conditions in 2021: a very mixed year

Muted recovery

Quarter-on-quarter change in GDP (adjusted)



Rising inflation rate



Good year in the stock markets

EURO STOXX 50, 2021



2021 results of the DZ BANK Group

Outstanding result

Very healthy
customer business

Stable
risk situation

Unremarkable
cost trend

Solid capital base

€ **3.1** billion

Profit before taxes

€ **5.7** billion

↗ +19.0%

Net interest income/net fee
and commission income

€ **120** million

Net reversals of loss
allowances

€ **4.3** billion

↗ +5.7%

Administrative
expenses¹

15.3 percent

Common equity Tier 1
capital ratio

¹ Increase includes the first-time consolidation of ZBI at UMH, the increased bank levy, and contributions to the BVR protection scheme

DZ BANK Group: Income statement (IFRS)*

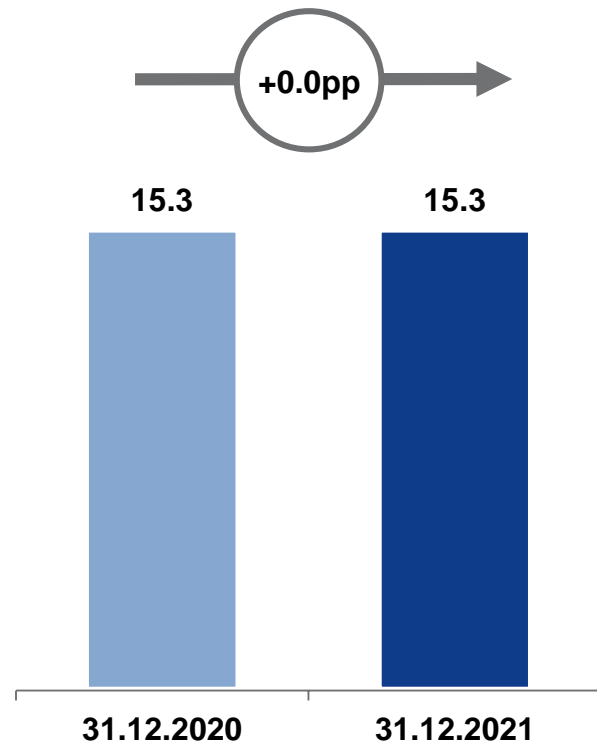
€ million	Jan. 1– Dec. 31, 2021	Jan. 1– Dec. 31, 2020	Change (%)
Net interest income	2,785	2,686	+3.7
Net fee and commission income	2,935	2,121	+38.4
Gains and losses on trading activities	152	693	-78.1
Gains and losses on investments	245	166	+47.6
Other gains and losses on valuation of financial instruments	242	-62	>100.0
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	-2	>100.0
Net income from insurance business	842	347	>100.0
Loss allowances	120	-678	>100.0
Administrative expenses	-4,265	-4,036	+5.7
Other net operating income	41	210	-80.5
Profit before taxes	3,096	1,445	>100.0
Income taxes	-920	-472	+94.9
Net profit	2,176	973	>100.0

* Provisional.

DZ BANK Group: Key capital ratios¹

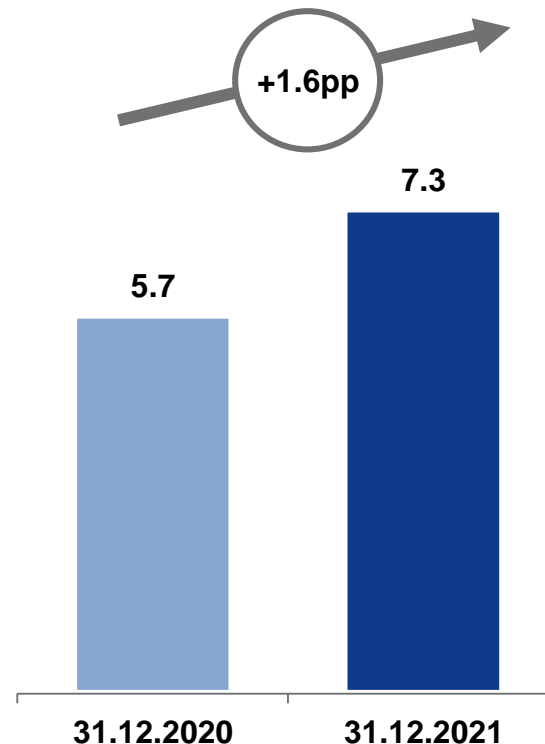
Common equity Tier 1 capital ratio

%



Leverage ratio

%



- Common equity Tier 1 capital ratio holds steady: Profit retention (after double dividend distribution) offsets business growth, market valuations (especially the interest-rate level), and regulatory changes
- Temporary increase in the leverage ratio: At 5.9 percent if the exemption for central bank receivables is excluded

¹ All values in accordance with CRR transitional arrangements

DZ BANK Group: Income statement by group company

€ million	Jan. 1– Dec. 31, 2021	Jan. 1– Dec. 31, 2020	Change (%)
BSH	130	81	+60.5
R+V	772	277	>100.0
TeamBank	151	154	-1.9
UMH	1,233	649	+90.0
DZ BANK – central institution and corporate bank	465	234	+98.7
DZ HYP	588	582	+1.0
DZ PRIVATBANK	41	38	+7.9
VR Smart Finanz	-9	-45	+80.0
DVB	23	-285	>100.0
DZ BANK – holding function	-240	-238	-0.8
Other/Consolidation	-58	-2	>100.0
Profit before taxes	3,096	1,445	>100.0

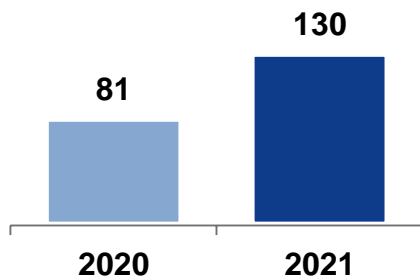
X = holding companies

X = companies assigned to the central institution and corporate bank

Segments: Home savings/consumer home finance, insurance

Profit before taxes

€ million

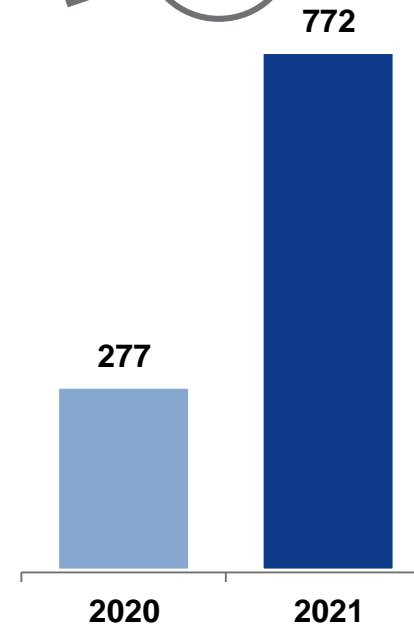


Schwäbisch Hall

- **Home savings:**
 - New business broadly stable at €24.0 billion (2020: €24.2 billion)
 - BSH has a robust market position (market share of 30.5 percent in Germany, compared with 30.1 percent in 2020)
- **Home finance:** New business rises to €20.2 billion (2020: €19.1 billion), outstripping average market growth
- **Profit before taxes** up substantially from the prior-year low (2020 affected, for example, by additions to provisions relating to building society operations)

Profit before taxes

€ million

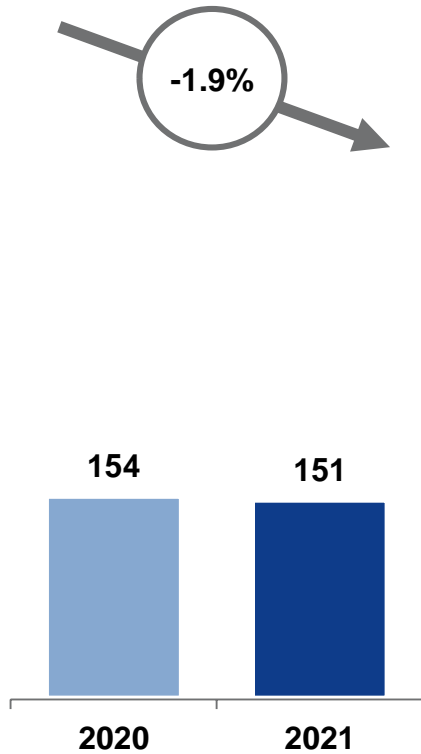


- **Gross premiums written** edge up further to €19.2 billion (2020: €19.0 billion)
- **Profit before taxes** up significantly, despite high claims volumes for flood and storm damage, thanks to premium growth and an improvement in gains and losses on investments held by insurance companies

Segments: Consumer finance business, asset management

Profit before taxes

€ million

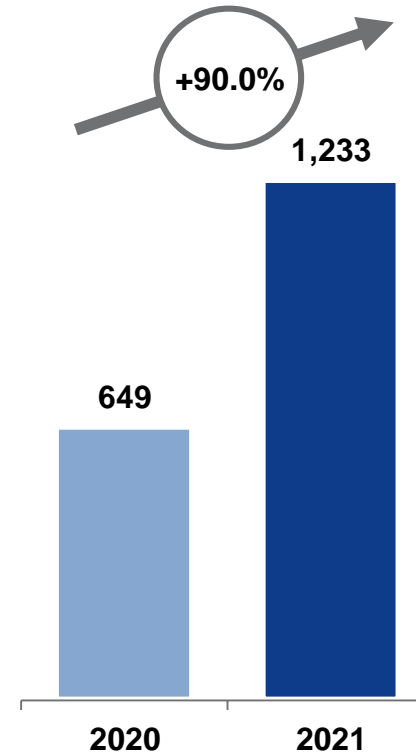


TeamBank

- **Volume of new business** rose to €3.1 billion (2020: €2.8 billion)
- **Loans and advances to customers** also up slightly at €9.2 billion (December 31, 2020: €9.0 billion)
- Further growth in the **number of customers** (up by 22,000) in a fiercely competitive market
- **Profit before taxes** roughly on a par with the prior year

Profit before taxes

€ million



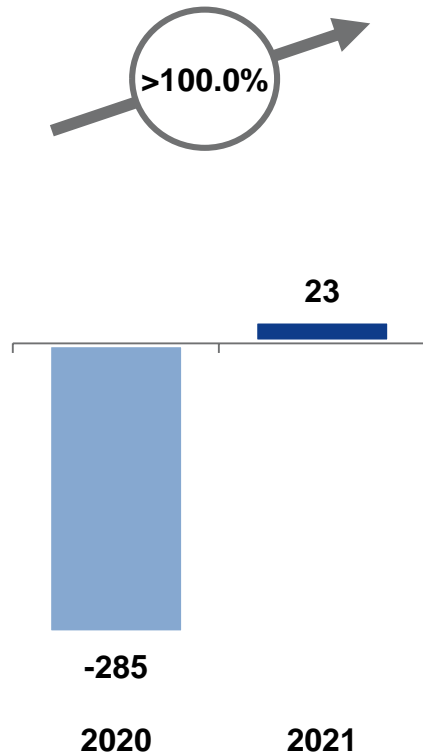
Union Investment

- Strong increase in **assets under management** to €454.1 billion (December 31, 2020: €385.9 billion)
- Significant year-on-year rise in **net inflows**, both from institutional clients (up from €6.3 billion in 2020 to €20.8 billion in 2021) and from retail customers (up from €8.8 billion in 2020 to €19.7 billion in 2021)
- Excellent **financial performance** thanks to growth, performance-related income components, and valuation effects due to the positive performance of the capital markets

Segments: Transport finance, DZ BANK – holding function

Profit/loss before taxes

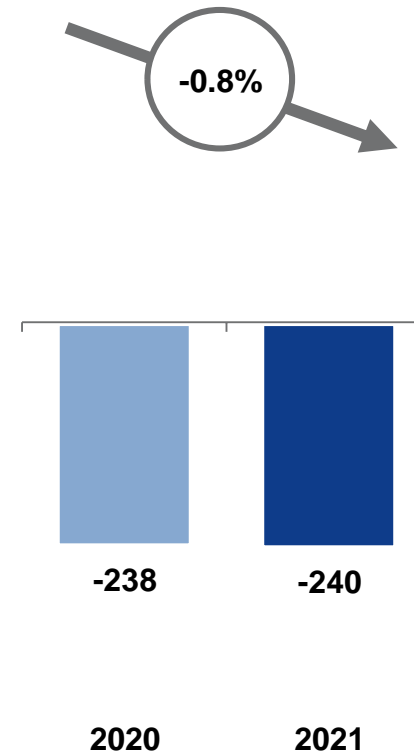
€ million



- **Accelerated scaling back of the portfolio** as a result of completion of the remaining partial disposals and the managed winding down of the ship and offshore business
- **Volume of customer loans** stood at €1.6 billion at the end of the year (€3.9 billion at the end of 2020 and €19.4 billion at the end of 2017)
- **Profit before taxes** influenced by the portfolio reduction and net reversals of loss allowances
- Preparations for merger into DZ BANK in the third quarter of 2022 are on schedule

Loss before taxes

€ million



- This segment is a cost center for expenses in connection with the holding function
- Slightly higher **loss before taxes** due to an increase in the pro rata share of the bank levy

Segment: DZ BANK – central institution and corporate bank

Very good result

€ **465** million

Profit before taxes

Growth in
customer business

€ **1.5** billion
↗ +17.6%

Net interest income/net fee
and commission income

Stable risk situation

€ **89** million

Net reversals of loss
allowances

Costs under control

€ **1.29** billion
→ +1.6%

Administrative
expenses

Segment: DZ BANK – central institution and corporate bank

Corporate banking business strengthened in 2021

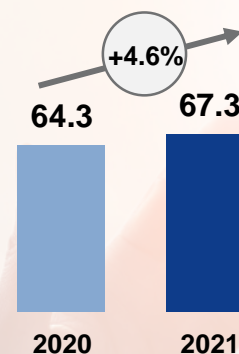
Positioning and strategic development

- » In the top 5 banks for corporate banking¹
- » Strong growth in **export finance** business with existing customers (up by 24 %) and in **cross-selling** (up by 11 %)
- » Key **supporter of the transition to clean energy**, providing around €6 billion in project finance
- » Reorganization and automation of the entire lending process; launch of **DZ Banking**
- » Development of the **MetaMarktplatz** platform for the joint business with the local cooperative banks

Selected metrics

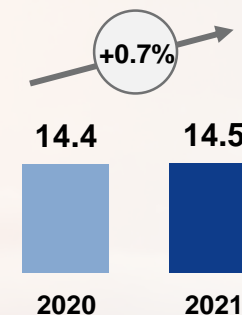
Lending volume²

€ billion



Volume of joint credit business

€ billion



¹ According to FINANCE magazine's survey of banks carried out in 2021, ² Domestic Corporate Banking & Structured Finance

Segment: DZ BANK – central institution and corporate bank

Successful positioning and strong revenue from the capital markets business

Positioning and strategic development

- » Ranked 3rd for bank bonds, 5th for covered bonds, and 4th for sovereign, supranational, and agency (SSA) bonds¹
- » Strong position in the issuance market for ESG paper; twofold increase in the volume of supported placements to €52.8 billion
- » Strong increase in sales of investment certificates (€6.4 billion) and in retail brokerage business (9 million transactions)
- » Investment in the expansion of customer trading platforms and the digitalization of processes using blockchain technology

Selected transactions

SSA bonds, covered bonds, and bank bonds



Corporate bonds and promissory notes



¹ Electronic secondary market trading in euro bonds globally, source: Bloomberg

Segment: DZ BANK – central institution and corporate bank:

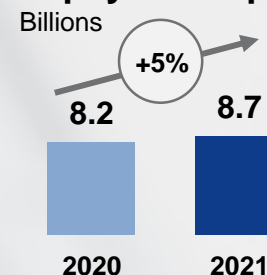
Further expansion of the strong market position in transaction banking

Positioning and strategic development

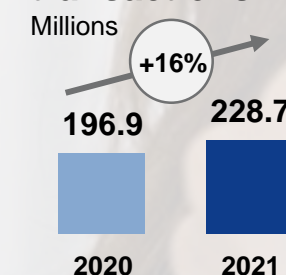
- » Piloting of **pay-per-use** payment models and expansion of **instant payments services** (e.g. request to pay)
- » Digitalization of capital market services using **blockchain technology** (e.g. finledger)
- » **Centralization of payments processing** activities on one powerful platform
- » Focused growth strategy in the **depository business**
- » Support for German and European **initiatives in the payments environment** and activities relating to the development of the **digital euro**

Selected metrics

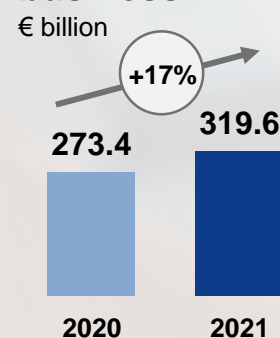
Number of transactions in payments processing



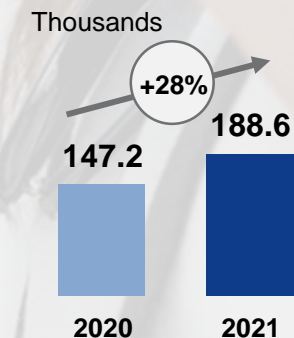
Number of credit card transactions



AuD¹ in depository business



No. of terminals in operation across network (VR Payment)

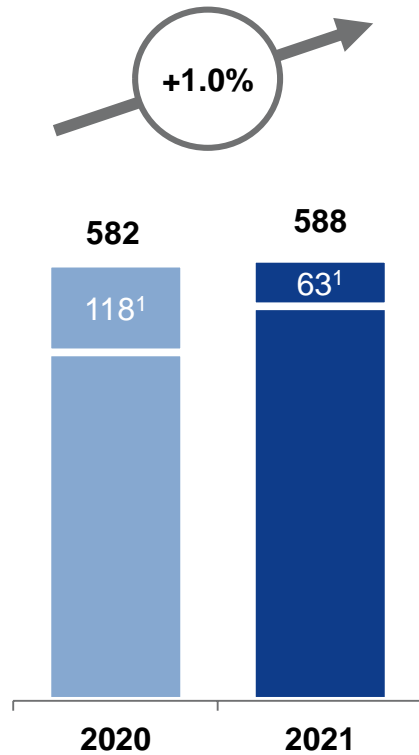


¹ Assets under depository

Segments: Commercial real estate finance, private banking

Profit before taxes

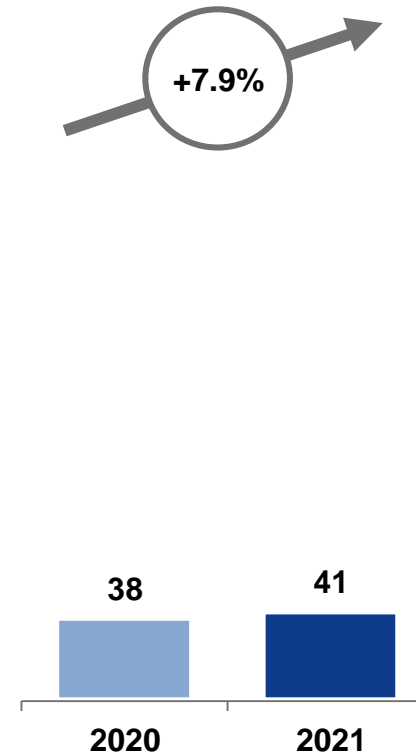
€ million



- **Growth in new business with corporate customers** (up from €8.0 billion in 2020 to €8.7 billion in 2021) and **retail customers** (up from €2.1 billion in 2020 to €2.7 billion in 2021)
- **Overall volume of real estate finance** increased from €53.3 billion to €55.5 billion
- **Profit before taxes** continues to be influenced by good operating performance but also by a high level of volatility of fair value gains and losses in the government bond portfolio

Profit before taxes

€ million



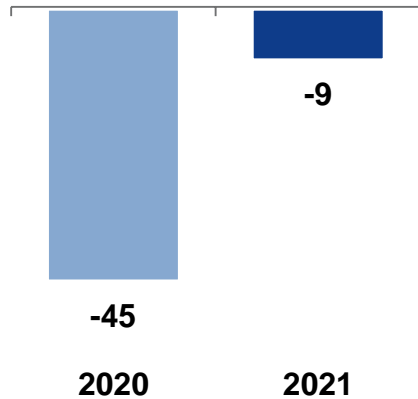
- Upward trajectory continues with year-on-year growth in assets under management in **private banking** (up by 16 percent) and in **assets under custody** (up by 31 percent)
- **Growth in profit before taxes** thanks to a solid operating performance and support from the positive equity market environment

¹ Other fair value gains and losses

Segment: Finance solutions for the self-employed and small businesses

Loss before taxes

€ million



- Decline in the **volume of new business** to €0.87 billion (2020: €1.25 billion) and in the **overall volume of business** (down by €203 million) due to the pandemic
- Increase in the **number of customers** (up by 17,000), partly as a result of value-added services
- Significant year-on-year improvement in the **loss before taxes**, but adversely affected by limited new business due to the pandemic

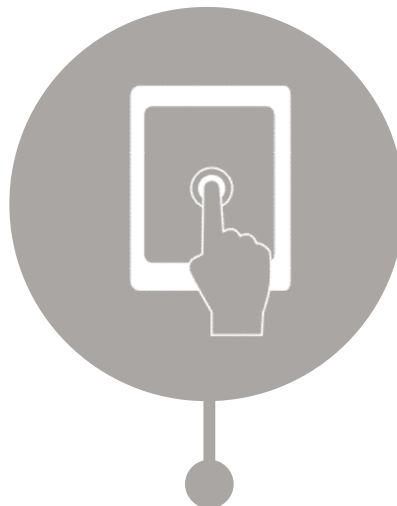


Sustainability, digitalization, employer attractiveness – the DZ BANK Group is playing an active role in shaping the 'new normal'



Sustainability

- Supporting the real economy on its transformation journey
- Expanding the ESG-oriented business
- Continuously developing the sustainability profile



Digitalization

- Automating processes
- Expanding sales structures through platforms and establishing ecosystems
- Using key technologies such as blockchain



Employer attractiveness

- Managing innovation
- Investing in future-oriented skills
- Providing training for new job profiles
- Employer branding / agile bank

Outlook

- » **Focus on the further development of digital customer solutions, support for the real economy on its transformation journey, and use of new technologies**
- » **Continuation of efforts to exploit potential sources of income in collaboration with the cooperative banks; systematic investment in growth**
- » **Economic recovery in spring likely to be noticeably weaker than previously assumed due to war in Ukraine and associated sanctions – DZ BANK anticipates economic growth of 1.9 percent in 2022**
- » **Up to now, we were assuming profit before taxes in 2022 to be at the upper end of our long-term target range of €1.5 billion to €2 billion – the geopolitical situation increases the uncertainty of forecasts**

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