

Overview of DZ BANK Group's financial situation as at December 31, 2023

Frankfurt am Main, February 29, 2024

Results of the DZ BANK Group for 2023

Very good
profit before taxes

€ **3.2** billion
↗ + 41.6 %

Profit
before taxes

Unremarkable
risk situation

€ **362** million

Loss allowances –
additions

Very healthy
capital adequacy

15.5¹⁾ percent

Common equity Tier 1
capital ratio

Focus on
efficiency

56,4 percent

Cost/income
ratio

1) The common equity Tier 1 capital ratio of 15.5% was calculated using the supervisory authority's official method for recognizing profit and the supervisory authority's assumed dividend payout ratio; if the current dividend policy were to be applied, the common equity Tier 1 capital ratio would stand at 15.8%

DZ BANK Group

Income statement (IFRS)

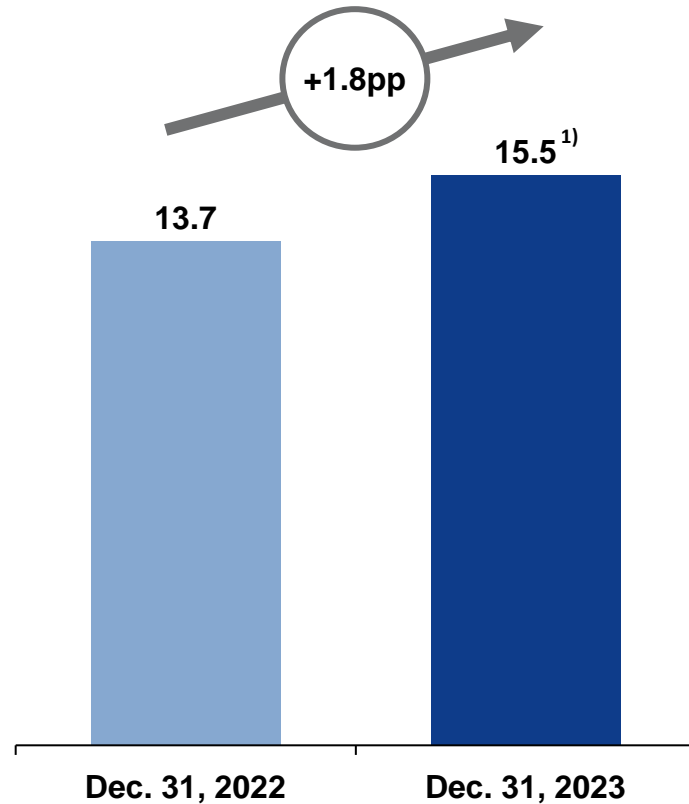
€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (%)
Net interest income	4,333	3,322	+30.4%
Net fee and commission income	2,807	2,749	+2.1%
Gains and losses on trading activities	-175	823	>100%
Gains and losses on investments	-72	-119	+39.5%
Other gains and losses on valuation of financial instruments	298	-286	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	11	35	-68.6%
Net income from insurance business	891	276	>100%
Loss allowances	-362	-304	+19.1%
Administrative expenses	-4,597	-4,447	+3.4%
Other net operating income	56	204	-72.5%
Profit before taxes	3,189	2,252	+41.6%
Income taxes	-955	-912	+4.7%
Net profit	2,234	1,341	+66.6%

DZ BANK Group

Key capital ratios

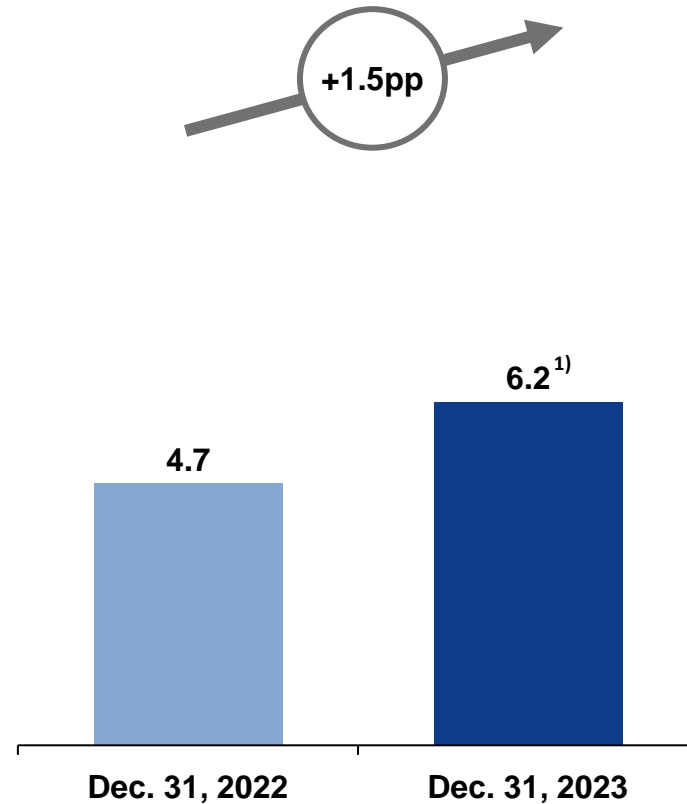
Common equity Tier 1 capital ratio

%



Leverage ratio

%

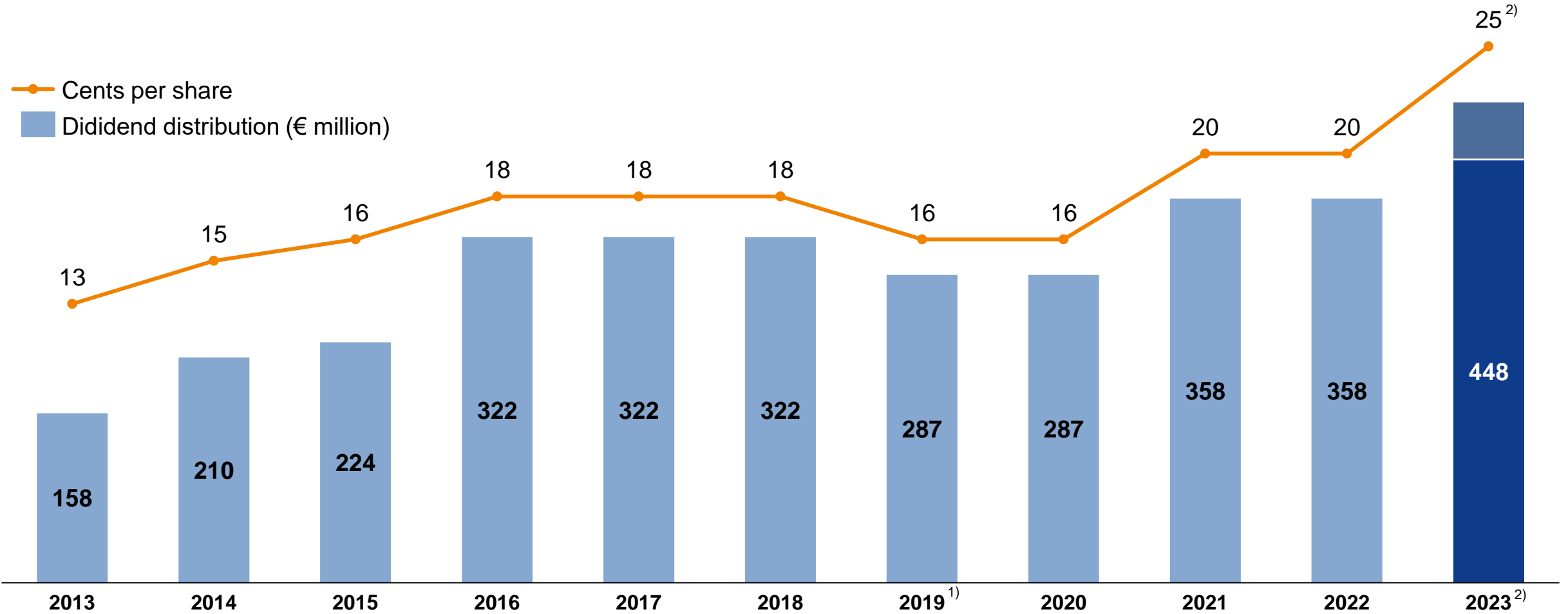


- Upward trend in capital adequacy, partly thanks to good operating performance
- Initial application of IFRS 17 at R+V
- New issue of AT1 in June 2023

1) The common equity Tier 1 capital ratio of 15.5% was calculated using the supervisory authority's official method for recognizing profit and the supervisory authority's assumed dividend payout ratio (leverage ratio on this basis: 6.2%); if the current dividend policy were to be applied, the common equity Tier 1 capital ratio would stand at 15.8% (leverage ratio: 6.3%)

DZ BANK Group

DZ BANK dividend payments



1) Paid a year later due to rules introduced as a result of the coronavirus pandemic

2) To be proposed to the Annual General Meeting; includes an additional 3 cents for the dividend depending on business performance

DZ BANK Group

Income statement, by group company

€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (%)
BSH	20	143	-86.0%
R+V	1,008	187	>100%
TeamBank	81	134	-39.6%
UMH	974	695	+40.1%
DZ BANK – central institution and corporate bank	1,035	904	+14.5%
DZ HYP	476	455	+4.6%
DZ PRIVATBANK	83	52	+59.6%
VR Smart Finanz	1	3	-66.7%
DZ BANK – holding function	-356	-279	-27.6%
Other/Consolidation	-133	-42	>100%
Profit before taxes	3,189	2,252	+41.6%

X = holding companies

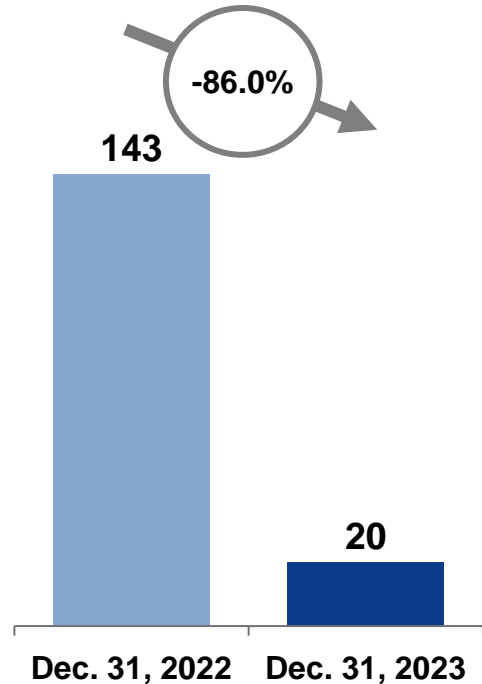
X = companies assigned to the central institution and corporate bank

Segment: Home savings / consumer home finance



Profit before taxes

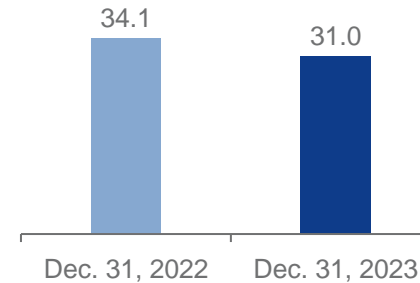
€ million



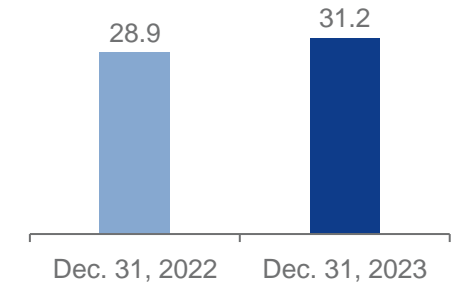
- Good level of **new home savings business** at €31.0 billion (2022: €34.1 billion)
- Strengthening of BSH's market position (market share of 31.2% in Germany)
- **Home finance:** Decline in new home finance business, on a par with the wider market; volume of home finance held steady at €64.2 billion (Dec. 31, 2022: €61.3 billion)
- **Profit before taxes:** Good operating performance; profit before taxes continues to be affected by shift in interest-rate policy but as budgeted; prior-year figure boosted by one-off reversal of provisions relating to building society operations

Operating performance

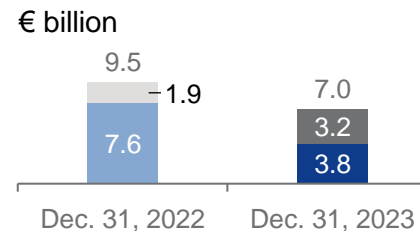
New home savings business € billion



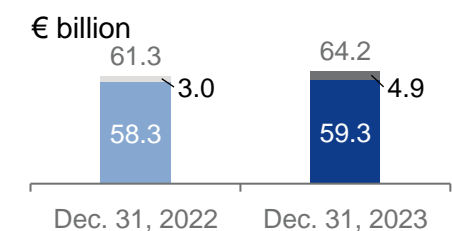
Market share in Germany %



New home finance (on BSH's books)¹⁾ New home savings loans



Vol. of home finance (on BSH's books) Vol. of home savings loans



1) Additional new business (on other banks' books): €14.2 billion, Dec. 31, 2022: €19.9 billion (of which with local cooperative banks: €13.1 billion, Dec. 31, 2022: €18.4 billion)

Segment: Home savings/consumer home finance

Income statement (IFRS)



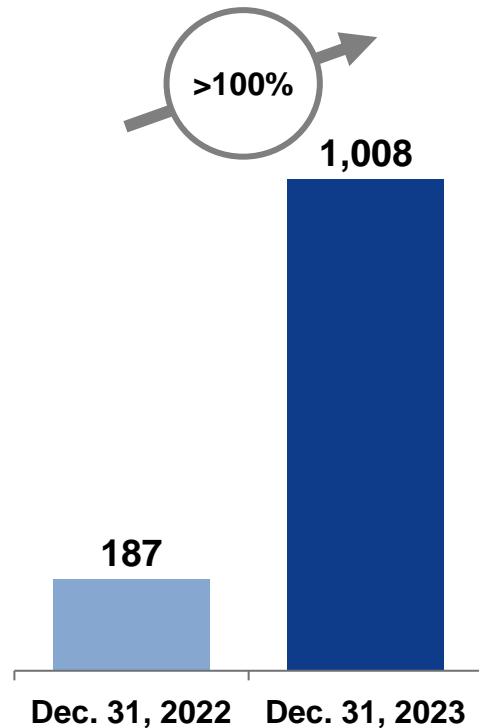
€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	550	744	-194	-26.1%
Net fee and commission income	-13	11	-24	>100%
Gains and losses on trading activities	0	0	0	n/a
Gains and losses on investments	0	-90	90	>100%
Other gains and losses on valuation of financial instruments	1	4	-3	-75.0%
Gains and losses from the derecognition of financial instruments measured at amortized cost	-2	3	-5	>100%
Loss allowances	-18	-16	-2	+12.5%
Administrative expenses	-536	-528	-8	+1.5%
Other net operating income	38	16	22	>100%
Profit before taxes	20	143	-123	-86.0%

Segment: Insurance



Profit before taxes

€ million

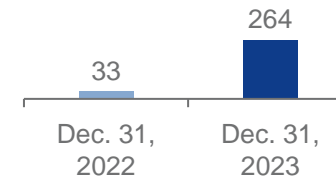


- Good **operating performance**
- **Gross premiums written** on a par with the prior year at €19.8 billion (2022: €19.6 billion)
- **Profit before taxes** influenced by significant improvement in gains and losses on investments held by insurance companies thanks to the favorable situation in the capital markets and only a small number of major claim events

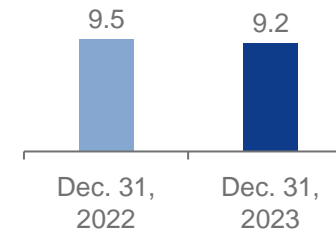
Operating performance

Life/health

Profit before taxes
€ million

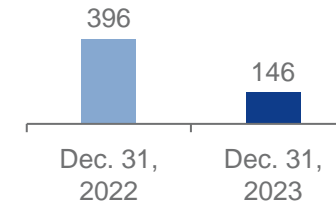


Gross premiums written
€ billion

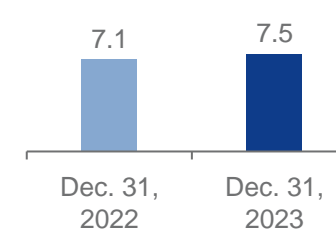


Non-life

Profit before taxes
€ million

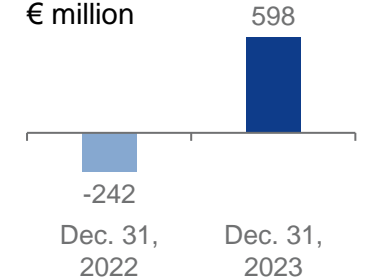


Gross premiums written
€ billion

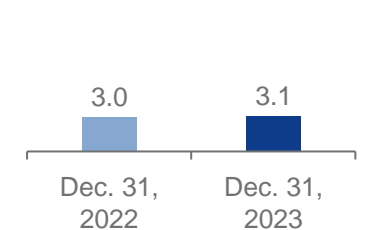


Inward reinsurance

Profit/loss before taxes
€ million



Gross premiums written
€ billion



Segment: Insurance

Income statement (IFRS)



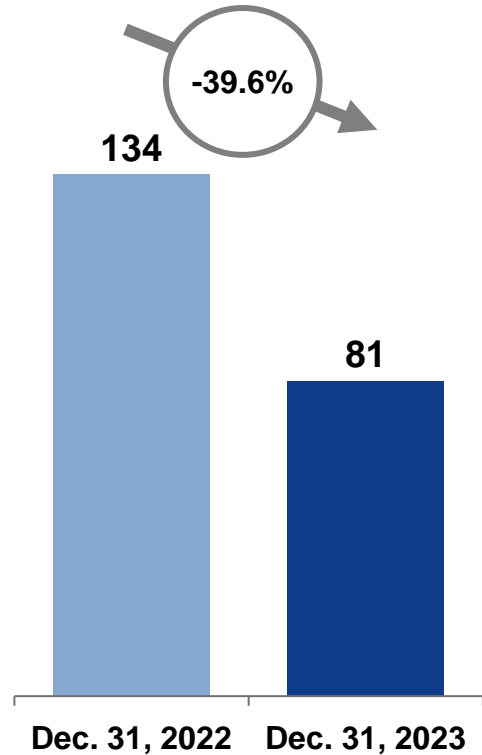
€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Insurance service result	1,972	1,980	-8	-0.4%
Gains/losses on inv. held by ins. comp. & other ins. comp. gains/losses	3,136	-3,748	6,884	>100%
Insurance finance income or expenses	-4,107	1,951	-6,058	>100%
Gains and losses from derecognition of FI measured at AC	6	8	-2	-25.0%
Other net operating income	0	-5	5	>100%
Profit before taxes	1,008	187	821	>100%

Segment: Consumer finance business



Profit before taxes

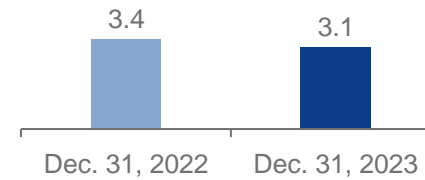
€ million



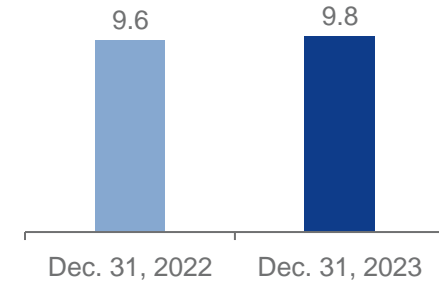
- **Volume of new business** at €3.1 billion (2022: €3.4 billion), with TeamBank outperforming the market
- Slight rise in **loans and advances to customers** to €9.8 billion (Dec. 31, 2022: €9.6 billion)
- Further increase in the **number of customers** (up by 29,000)
- Decrease in **profit before taxes**, mainly due to higher loss allowances

Operating performance

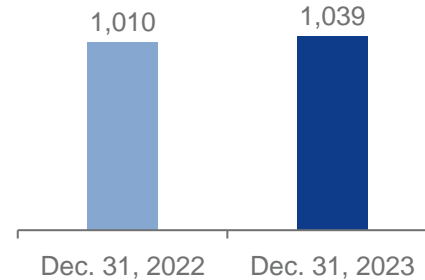
Volume of new business
€ billion



Loans and advances to customers
€ billion



Number of customers
Thousands



Segment: Consumer finance business

Income statement (IFRS)



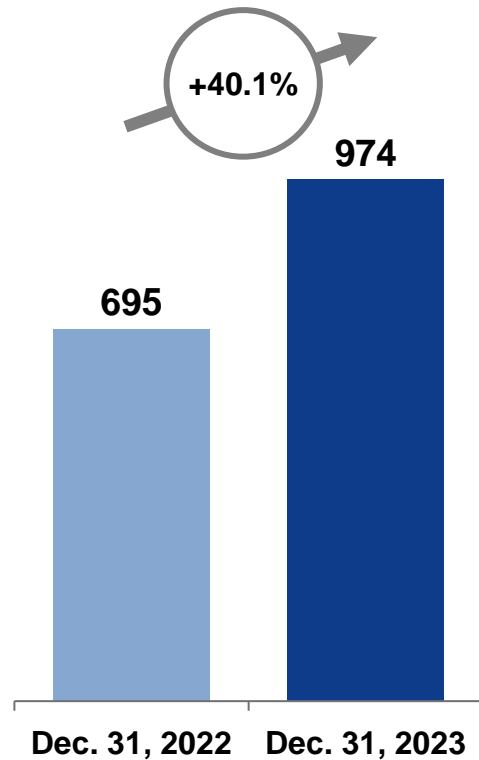
€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	530	511	19	+3.7%
Net fee and commission income	-39	-13	-26	>100%
Gains and losses on trading activities	0	0	0	n/a
Gains and losses on investments	0	0	0	n/a
Other gains and losses on valuation of financial instruments	-2	6	-8	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	-133	-100	-33	+33.0%
Administrative expenses	-285	-286	1	-0.3%
Other net operating income	10	15	-5	-33.3%
Profit before taxes	81	134	-53	-39.6%

Segment: Asset management



Profit before taxes

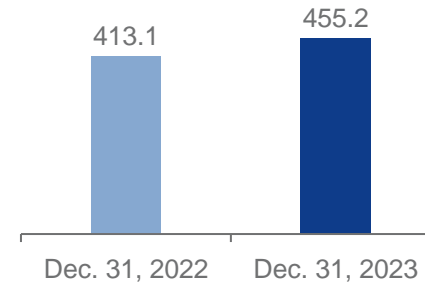
€ million



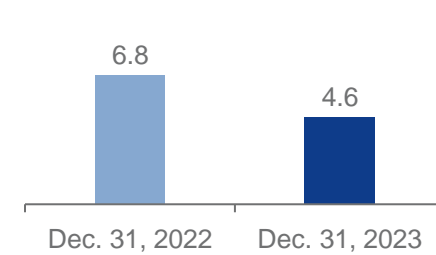
- Increase in **assets under management** to €455.2 billion (Dec. 31, 2022: €413.1 billion)
- Rise in **net inflows** from retail clients (€12.2 billion), but a fall in **net inflows** from institutional clients (€4.6 billion)
- No. 1 for mutual funds
- Very encouraging rise in **profit before taxes**

Operating performance

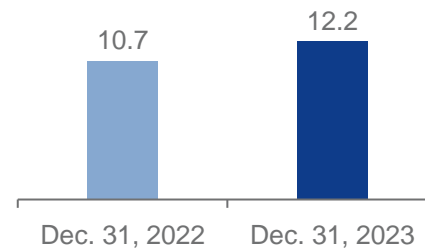
Assets under management
€ billion



Net inflows from institutional clients
€ billion



Net inflows from retail clients
€ billion



Segment: Asset management

Income statement (IFRS)



€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	71	12	59	>100%
Net fee and commission income	2,018	2,036	-18	-0.9%
Gains and losses on trading activities	0	0	0	n/a
Gains and losses on investments	-31	-58	27	+46.6%
Other gains and losses on valuation of financial instruments	197	-155	352	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	-1	0	-1	n/a
Administrative expenses	-1,231	-1,194	-37	+3.1%
Other net operating income	-50	54	-104	>100%
Profit before taxes	974	695	279	+40.1%

Segment: DZ BANK – central institution and corporate bank



A very successful
year

€ **1.0** billion
↗ + 14.5 %

Profit
before taxes

Encouraging
financial performance

€ **2.0** billion
↗ + 26.5 %

Net interest income/
net fee and commission
income

Unremarkable
risk situation

€ **82** million

Loss allowances –
additions

Costs
under control

56.6 percent

Cost/income
ratio

Segment: DZ BANK – central institution and corporate bank

Corporate Banking

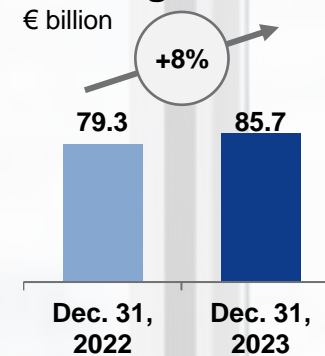


Positioning and strategic development

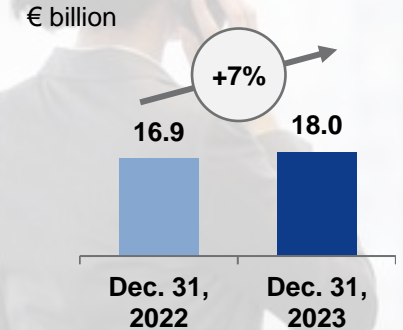
- » In the **top 5** banks for corporate banking¹⁾
- » Rise in income from cross selling²⁾ of **33%**
- » Consistently **strong market position for development loans**; volume focused on the switch to renewable energy, the environment, and sustainability of **€36.8 billion**
- » Another **excellent performance in German renewable energy business** (no. 1 for European onshore wind power business³⁾)
- » Continued growth of **trade and export finance business**

Selected metrics

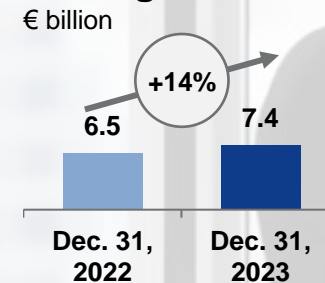
Lending volume⁴⁾



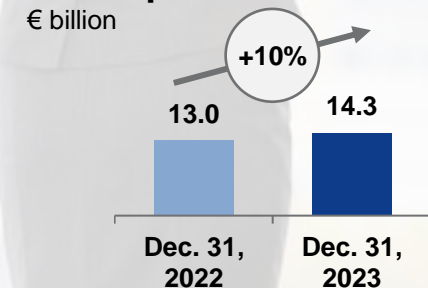
Volume of joint credit business



Renewable energies lending volume⁵⁾



Volume of international trade and export finance



1) Findings of the 2023 FINANCE bank survey
4) Corporate banking in Germany & Structured Finance

2) Corporate banking in Germany
5) Total for DZ BANK AG

3) Information from Infra database as at Jan. 17, 2024

Segment: DZ BANK – central institution and corporate bank

Capital Markets



Positioning and strategic development

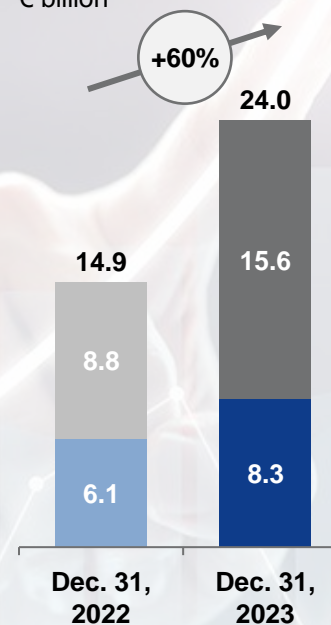
- » **Ranked 5th** for bank bonds, **8th** for covered bonds, and **6th** for sovereign, supranational, and agency (SSA) bonds¹⁾
- » **Very strong capital markets business**; muted foreign-exchange/derivatives business and primary market business
- » **A leading bank** when it comes to supporting **sustainable promissory notes** from Germany (market share of approx. 17%²⁾); no. 1 for euro-denominated benchmark green covered bonds (market share of approx. 8%²⁾)
- » **Strong sales of investment certificates and interest-rate products** and high number of **retail brokerage transactions** (7.1 million orders)
- » **Establishment of a cryptocurrency trading offering** for retail customers

Selected metrics and transactions

Sales volume:

- Investment certificates
- Interest-rate products

€ billion



SSA bonds, covered bonds, and bank bonds



1) Electronic secondary market trading in euro bonds globally, according to Bloomberg 2) Source: Bloomberg

Segment: DZ BANK – central institution and corporate bank

Transaction Banking

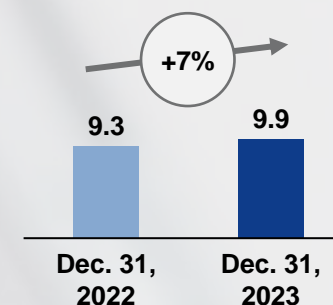


Positioning and strategic development

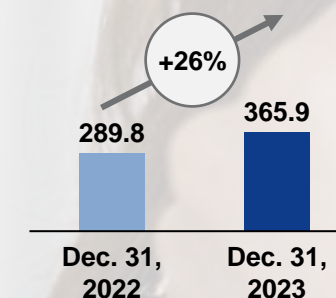
- » **Systematic consolidation** of the market position, becoming the **third-largest depository bank in Germany**
- » **Piloting of the Request-to-Pay system** and launch of the **digital depository platform for cryptosecurities**
- » **Significant growth in the number of credit card transactions, in sales of credit cards, and in the number of terminals in operation across the network**
- » **Centralization of payments processing activities on one powerful platform**
- » **Activities to equip the business line for the future, e.g. active involvement in implementation of the European Payments Initiative (EPI)**

Selected metrics

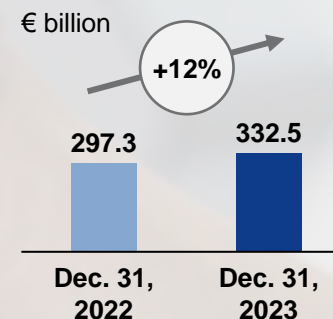
No. of transactions in payments processing
Billions



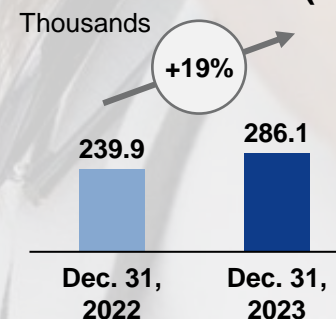
No. of credit card transactions
Millions



AuD¹⁾ in depository business
€ billion



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



1) Assets under depository

Segment: DZ BANK – central institution and corporate bank

Income statement (IFRS)



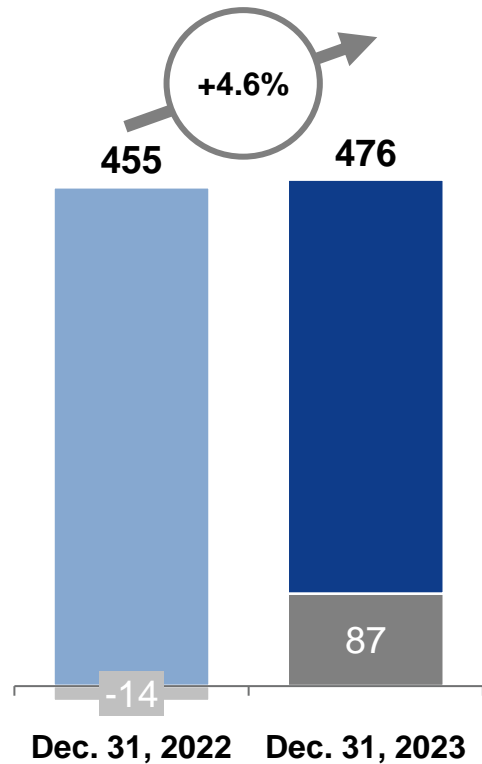
€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	1,483	1,113	370	+33.2%
Net fee and commission income	544	489	55	+11.2%
Gains and losses on trading activities	674	871	-197	-22.6%
Gains and losses on investments	-42	-13	-29	>100%
Other gains and losses on valuation of financial instruments	-93	-91	-2	-2.2%
Gains and losses from the derecognition of financial instruments measured at amortized cost	-35	32	-67	>100%
Loss allowances	-82	-172	90	-52.3%
Administrative expenses	-1,455	-1,350	-105	+7.8%
Other net operating income	41	26	15	+57.7%
Profit before taxes	1,035	904	131	+14.5%

Segment: Commercial real estate finance



Profit before taxes

€ million

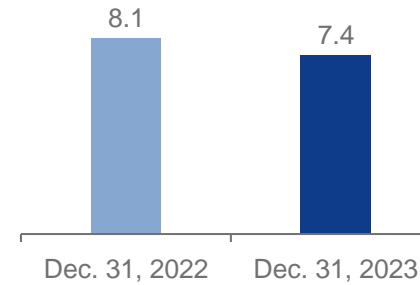


- A robust total volume of real estate finance, but a decline in new business amid challenging conditions for real estate; new business with corporate clients held steady
- Unremarkable risk situation in the portfolio, with loss allowances at budgeted level
- Very good profit before taxes, influenced by stable operating performance

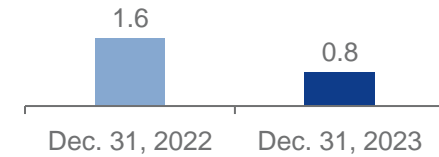
■ Of which gains and losses on valuation

Operating performance

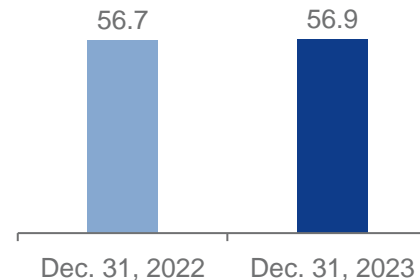
New business with corporate clients
€ billion



New business with retail customers
€ billion



Total volume of real estate finance
€ billion



Segment: Commercial real estate finance

Income statement (IFRS)

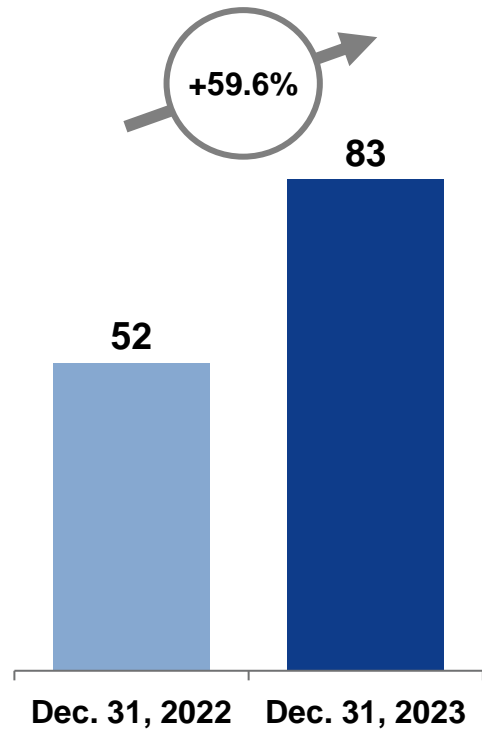


€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	721	732	-11	-1.5%
Net fee and commission income	9	18	-9	-50.0%
Gains and losses on trading activities	-1	-1	0	+0.0%
Gains and losses on investments	0	31	-31	>100%
Other gains and losses on valuation of financial instruments	87	-14	101	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	-111	-78	-33	+42.3%
Administrative expenses	-247	-256	9	-3.5%
Other net operating income	19	24	-5	-20.8%
Profit before taxes	476	455	21	+4.6%

Segment: Private banking

Profit before taxes

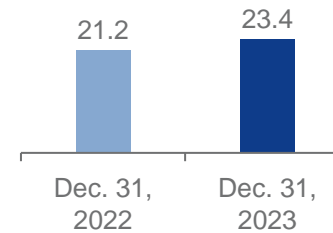
€ million



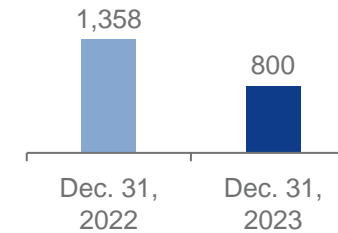
- Good operating performance; higher inflows in private banking and fund services
- Increase in **assets under management** to €23.4 billion (Dec. 31, 2022: €21.2 billion)
- Another healthy **profit before taxes**, with a sharp year-on-year rise thanks to positive effects of the shift in interest-rate policy

Operating performance

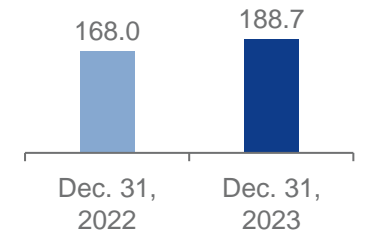
Assets under management
€ billion



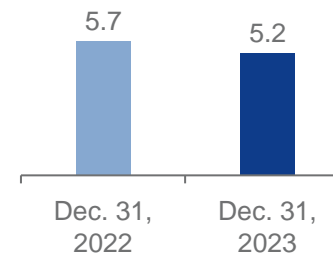
Net inflows
€ million



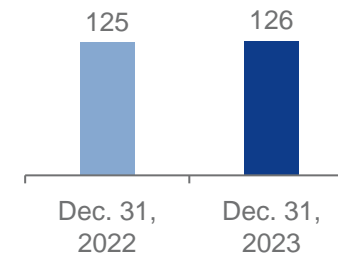
Assets under custody
€ billion



Lending volume
€ billion



Value created in the cooperative financial network
€ million



Segment: Private banking

Income statement (IFRS)

 DZ PRIVATBANK

€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	147	83	64	+77.1%
Net fee and commission income	220	220	0	+0.0%
Gains and losses on trading activities	16	21	-5	-23.8%
Gains and losses on investments	0	0	0	n/a
Other gains and losses on valuation of financial instruments	17	4	13	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	-7	-1	-6	>100%
Loss allowances	-1	-2	1	-50.0%
Administrative expenses	-293	-277	-16	+5.8%
Other net operating income	-16	4	-20	>100%
Profit before taxes	83	52	31	+59.6%

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

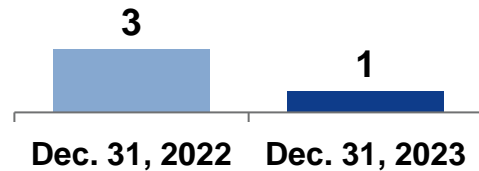


Profit before taxes

€ million

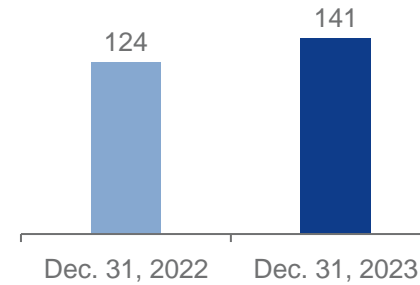


- **Volume of new business** rose to €1.21 billion (2022: €1.03 billion)
- Further increase in the **number of customers** (up by 17,000)
- Good operating performance, but a fall in **profit before taxes** to €1 million (2022: €3 million) owing to higher loss allowances

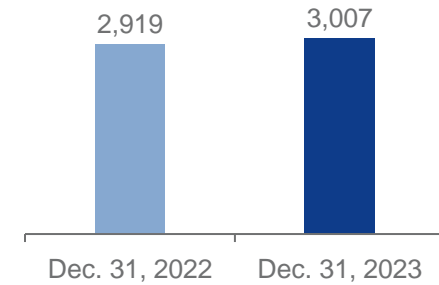


Operating performance

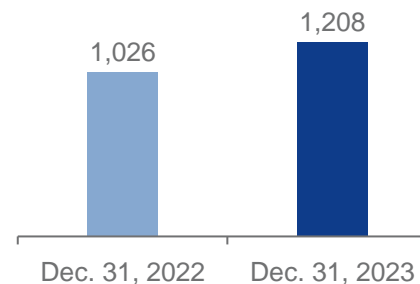
Number of customers
Thousands



Volume of business
€ million



Volume of new business
€ million



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

Income statement (IFRS)

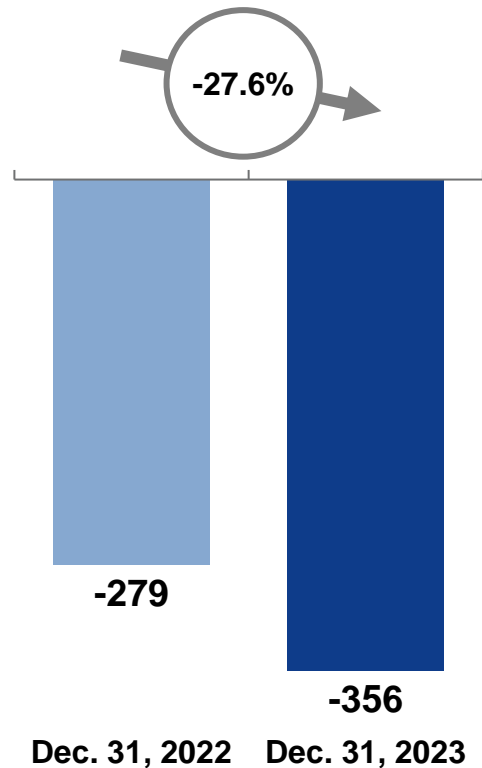


€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	123	116	7	+6.0%
Net fee and commission income	-29	-29	0	+0.0%
Gains and losses on trading activities	0	0	0	n/a
Gains and losses on investments	0	0	0	n/a
Other gains and losses on valuation of financial instruments	0	1	-1	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	-18	-9	-9	+100.0%
Administrative expenses	-73	-76	3	-3.9%
Other net operating income	-2	0	-2	n/a
Profit before taxes	1	3	-2	-66.7%

Segment: DZ BANK – holding function

Loss before taxes

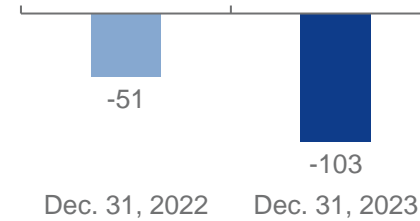
€ million



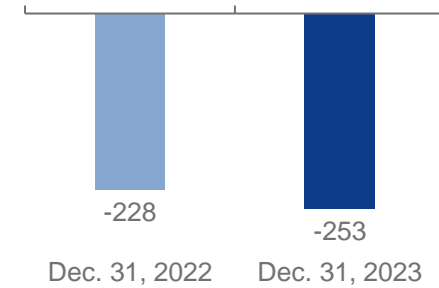
- This segment is a cost center for expenses in connection with the holding function
- Increase in **loss before taxes**, primarily due to higher interest expense as a result of obtaining liquidity from the excess of non-interest-bearing assets (long-term equity investments) over liabilities (equity)

Operating performance

Net interest income
€ million



Administrative expenses
€ million



DZ BANK – holding function

Income statement (IFRS)



€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (absolute)	Change (%)
Net interest income	-103	-51	-52	>100%
Administrative expenses	-253	-228	-25	+11.0%
Loss before taxes	-356	-279	-77	-27.6%

Disclaimer

This document is for information purposes only. This document has been prepared by DZ BANK AG Deutsche Zentral-Genossenschaftsbank ('DZ BANK') and is intended for distribution in the Federal Republic of Germany. This document may only be distributed outside Germany in accordance with the local legal requirements, and persons coming into possession of this information and these materials should inform themselves about and observe the local legal requirements.

This document constitutes neither a public offer nor a solicitation of an offer for the purchase of securities or financial instruments. In particular, DZ BANK does not act as an investment advisor or portfolio manager. This document does not constitute a financial analysis. All evaluations, opinions or explanations contained herein are those of the author of the document and do not necessarily correspond with those of third parties.

DZ BANK assumes no liability for loss/damage caused directly or indirectly by the distribution and/or use of this document and/or for loss/damage that is connected with the distribution and/or use of this document. Any investment decision with respect to securities or any other financial instruments should be based on individual advice and a prospectus or information memorandum and under no circumstances on this document.

The contents of this document relate to the situation at the time at which the document was drafted. Future developments may render them obsolete and the document may not have been changed accordingly.