

Investor presentation

Financial Figures 30/09/2023

Münchener Hypothekenbank





Contents

- 1. Introduction**
- 2. Sustainability**
- 3. Cooperative Financial Network**
- 4. Capital and creditor protection**
- 5. Funding**
- 6. Appendix**



Münchener Hypothekbank at a glance

Not a bank like any other

Systemic important bank under direct ECB supervision

- Independent from any corporate group and member of the Cooperative Financial Network (“FinanzGruppe”)
- EUR 54.3 bn total assets (30/09/2023)
- Broad based ownership and no predominant owner
- Moody’s ratings: Aa3 senior unsecured (stable), A2 junior senior unsecured, Aaa mortgage Pfandbriefe

Deep roots within the Cooperative Financial Network

- Partner of Volksbanken and Raiffeisenbanken in the mortgage lending business
- Volksbanken and Raiffeisenbanken as most important business partners and biggest owner group
- Excellent access to liquidity via cooperative institutions
- Officially recognised deposit guarantee scheme and additional voluntary institution-related protection system

Sustainable business model

- Sustainability as integral part of the long-term and risk conservative business model
 - Acceptable risks that do not jeopardize the trust of owners and customers
- Focus on cooperative mission



Ownership and equity

Members as largest capital investor

Membership

- 59,066 members
- 18 million cooperative shares
- EUR 70 nominal value, no trading

Impact on strategy and business

- Long-term profitability and business sustainability
- Conservative risk policy
- Continuous dividend capability

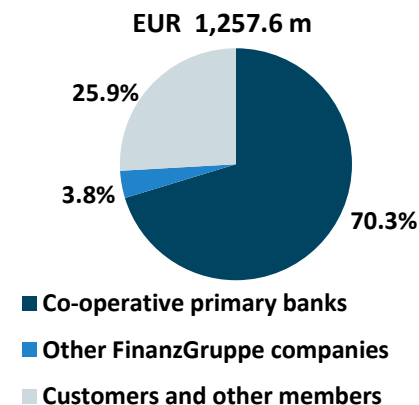
Equity components 30/06/2023 (EUR m)

Common Equity Tier 1	1,740.6
Paid-up capital	1,257.6
Reserves	412.0
Special items for general banking risk	114.0
Deductible items	- 43.0
Additional Equity Tier 1	214.3
Tier 2 Capital	235.0
Total Equity	2,189.9

Advantages for lenders of capital (shares)

- Participation within the Cooperative Financial Network
- Cooperative bank in a guarantee network
- Stable, long-term investment without price volatility
- No major shareholder
 - No member with more than 1.5% of shares
- No unexpected strategy changes due to large investors




Ownership structure 30/06/2023





Ratings

Credit rating and sustainability rating of Münchener Hypothekenbank

Rating agency	Categories	Credit rating	Outlook
	Issuer rating Münchener Hypothekenbank		
	Mortgage Pfandbriefe	Aaa	
	Senior unsecured (senior preferred notes)	Aa3	stable
	Junior senior unsecured (senior non-preferred notes)	A2	
	Short-term liabilities	Prime-1	
	Long-term deposits	Aa3	stable
	AT1 Tier 2	Ba1 (hyb) Baa2	
	Münchener Hypothekenbank within the Cooperative Financial Network		
	Long-term	AA-	stable
	Short-term	F1+	
	Cooperative Financial Network		
	Long-term	A+	stable
	Short-term	A-1	

Sustainability ratings

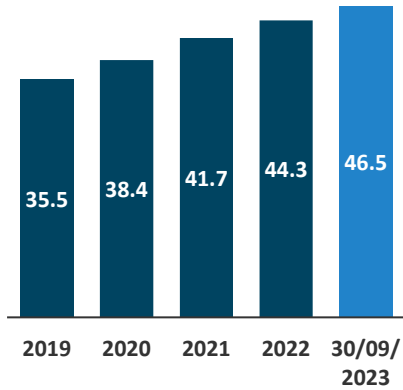




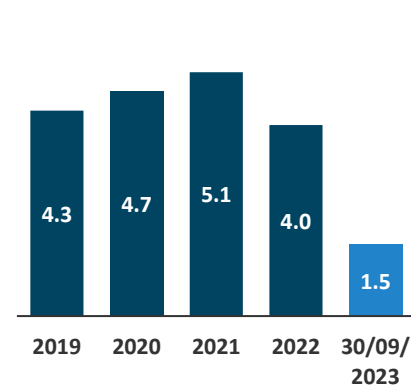
Business performance

Loan business and profitability

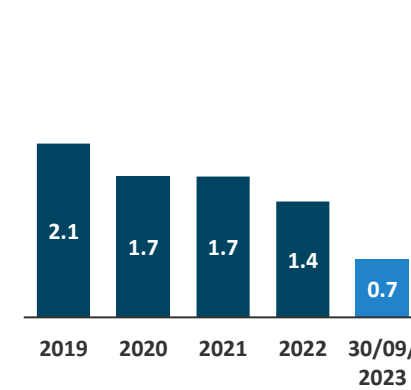
Mortgage loan portfolio (EUR bn)



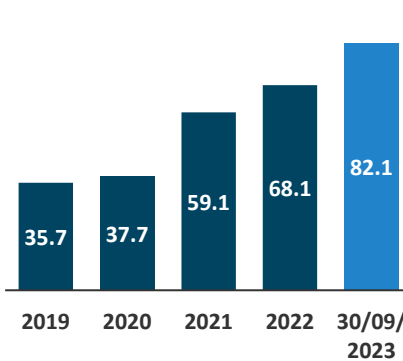
New loans residential (EUR bn)



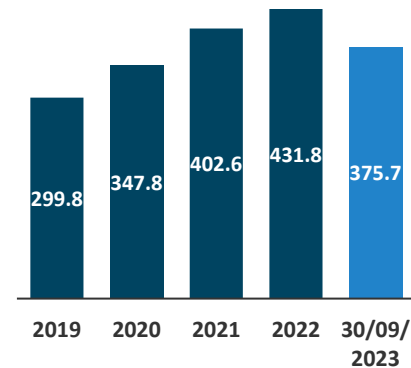
New loans commercial (EUR bn)



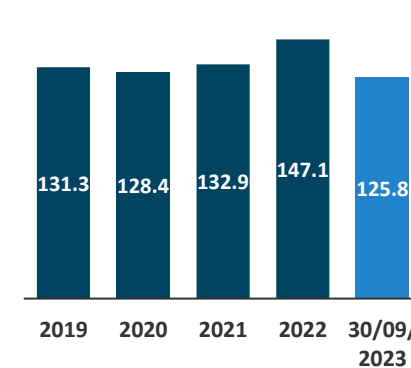
Net income (EUR m)



Net interest income (EUR m)



Total administrative expenses (EUR m)

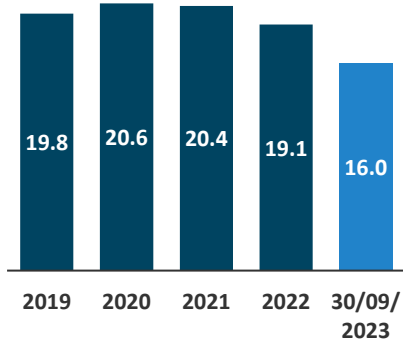




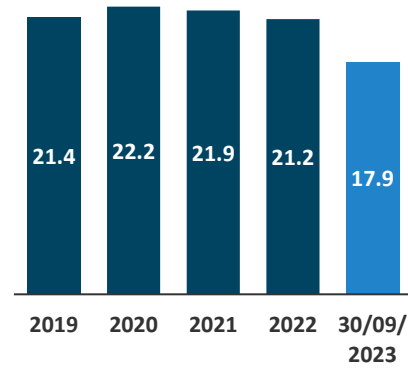
Business performance

Capital and regulatory

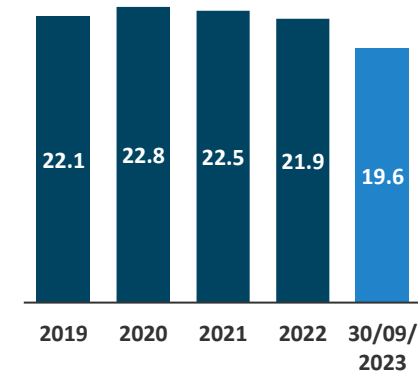
Common equity Tier 1 capital ratio (%)



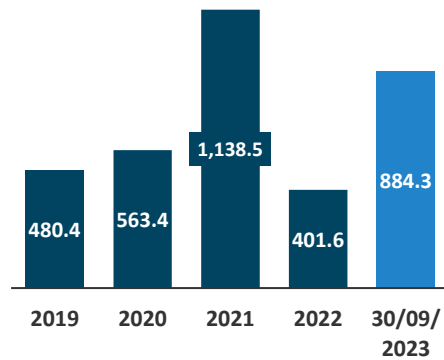
Tier 1 capital ratio (%)



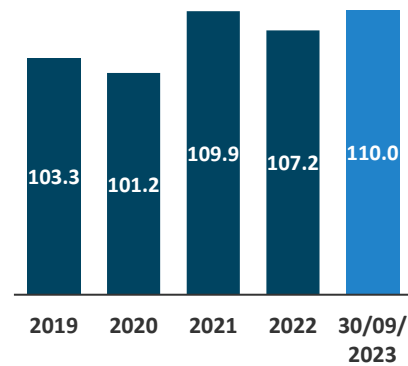
Total capital ratio (%)



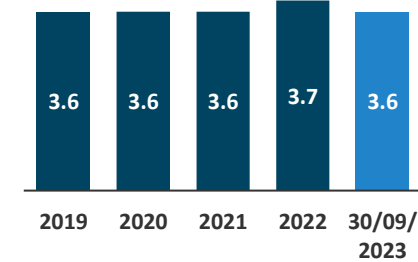
LCR (%)



NSFR (%)



Leverage ratio (%)





Mortgage loan portfolio

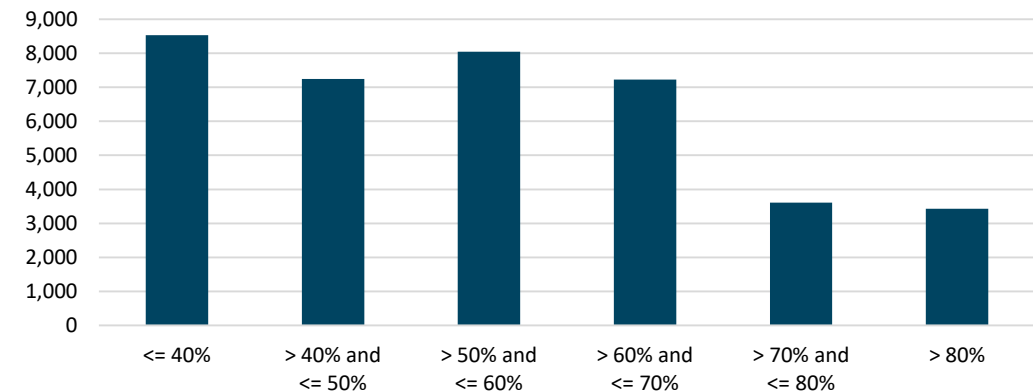
Portfolio impresses with its high granularity

EUR 46.5 bn loan portfolio 30/09/2023

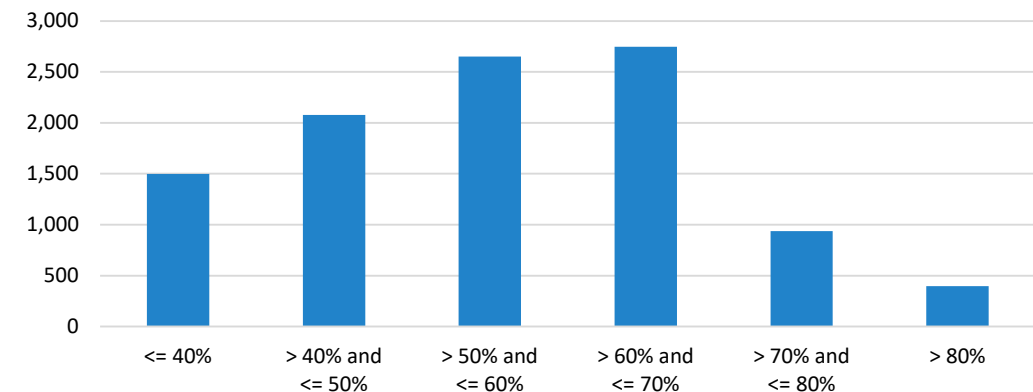
- 224,949 individual loans – thereof 223,151 residential
- Volume by type of underlying property:
 - 77.9% residential buildings
 - 22.1% commercial buildings
- Average loan size:
 - About EUR 162,000 residential properties
 - About EUR 8,071,000 commercial properties
- Average LTV:
 - 54.3% residential buildings
 - 56.2% commercial buildings
- Geographic split:
 - 45.6% Bavaria, Baden-Württemberg, Hesse and NRW
 - 34.0% other German States
 - 11.4% Switzerland
 - 9.0% other non-domestic
- NPL-ratio: 0.90%
- The focus of the bank's strategy is not on development loans or building project organizer financing

LTV 30/09/2023

Residential, credit volume according to LTV



Commercial, credit volume according to LTV

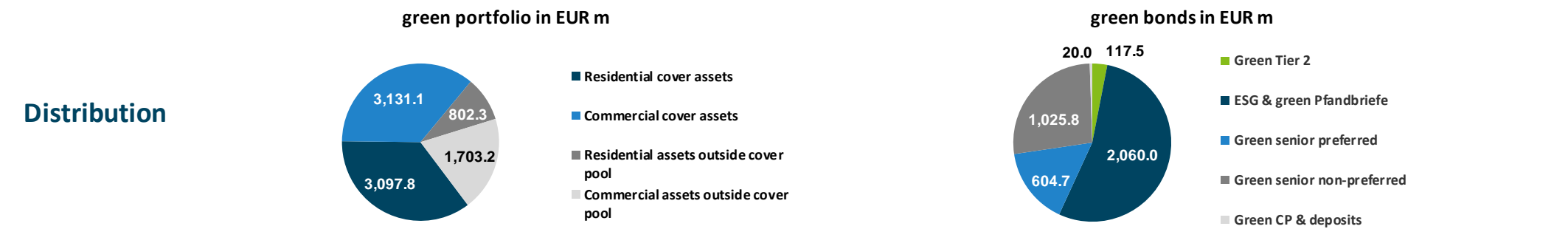




Sustainability within Münchener Hypothekenbank

Implemented in all business divisions

	Assets 30/06/2023	Liabilities 30/06/2023
Products	Green mortgage loan for residential properties <ul style="list-style-type: none"> ▪ Focus on energy efficiency, improved interest rate Certified commercial properties <ul style="list-style-type: none"> ▪ Top criteria of important certification systems 	ESG & green Pfandbriefe Green senior preferred bonds Green senior non-preferred bonds Green commercial paper (CP), green deposits
Engagement	Number of loans 19,049 <ul style="list-style-type: none"> ▪ 18,858 residential properties ▪ 191 commercial properties 	Number of outstanding bonds <ul style="list-style-type: none"> ▪ 18 EUR bonds ▪ 8 CHF bonds
Volume	EUR 8,734 m total loan volume <ul style="list-style-type: none"> ▪ EUR 3,900 m residential loans ▪ EUR 4,834 m commercial loans 	Total volume of outstanding bonds <ul style="list-style-type: none"> ▪ EUR 2,710 m ▪ CHF 1,075 m



Green Standards
(links)

[Green Bond Framework](#)
[Second Party Opinion](#)
[Impact Reporting](#)
[Allocation Reporting](#)
[Non-Financial Report](#)



Sustainable loan selection criteria

Green portfolio in line with the ICMA Green Bond Principles

Residential – green loans

- Residential buildings in Germany with maximum annual energy demand of 70kWh/sqm (till April 2020)
- Residential buildings in Germany with maximum annual energy demand of 55kWh/sqm (from May 2020)
- Old and new KfW promotional programmes for energy-efficient construction
- Top 15% of national building stock by energy performance in Switzerland or Minergie Certificate

Info:

- Grandfathering for green loans granted since November 2015

Commercial - certified environmental loans

- DGNB (min. Gold or Platinum)
- BREEAM (min. Very Good, Excellent or Outstanding)
- LEED (min. Gold or Platinum)
- HQE (min. Excellent or Exceptionnel)
- BREEAM NL (min. Good, Very Good, Excellent or Outstanding)
- Energy Performance Certificate (EPC) (min. Level A or better)
- Top 15% of national building stock by energy performance



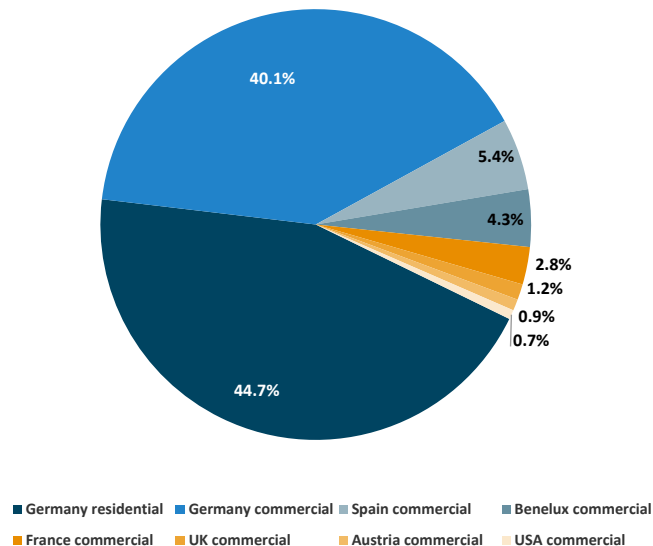
Overview green portfolio

Number of green loans: total 19,049, thereof residential 18,858 and commercial 191

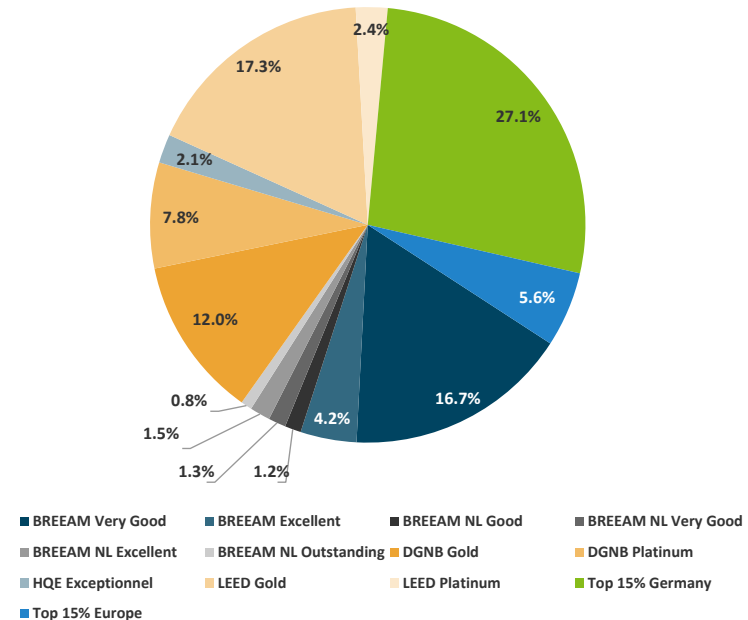
Assets	Notional value in EUR m 30/06/2023		Liabilities
Cover pool residential	3,097.8	2,060.0	Green & ecological ESG Pfandbriefe
Cover pool commercial	3,131.2		
Residential not in cover pool	802.3	1,748.0	Green Tier 2 & green senior bonds
Commercial not in cover pool	1,703.2	20.0	Green CP & green term money
Balance green portfolio	4,906.5		

Conversion into EUR with the ECB Euro foreign exchange reference rates

Regional distribution



Commercial certificates





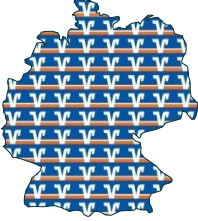





The German banking landscape

Position of the Cooperative Financial Network

31/12/2022

	Public	Cooperative	Private
Banking sector			
Regional focus			
Credit institutions	5 Landesbanks affiliated groups DekaBank 370 Savings banks	Cooperative central institution 737 Cooperative banks specialised cooperative companies	Major German private banks + foreign banks
Market share (GER)*	35%	25%	< less than 10% (each)

* private deposits



Strength of the Cooperative Financial Network

Impressive figures for the cooperative sector

Consolidated key business figures of the Cooperative Financial Network (31/12/2022)

- organized collectively and committed to its members
 - EUR 1,581 billion total assets
 - EUR 3,892 million profit before tax
 - 737 cooperative banks and other specialized companies
 - 170,488 employees
 - 30 million customers and 17.9 million members
 - wide range of products from a single source

very good ratings:

	Fitch Ratings	Standard & Poor's
Long-term	AA-	A+
Short-term	F1+	A-1
Individual Rating	aa-	a+
Outlook	stable	stable





Creditor protection

Protection and safety with high priority

Protection within the Cooperative Financial Network

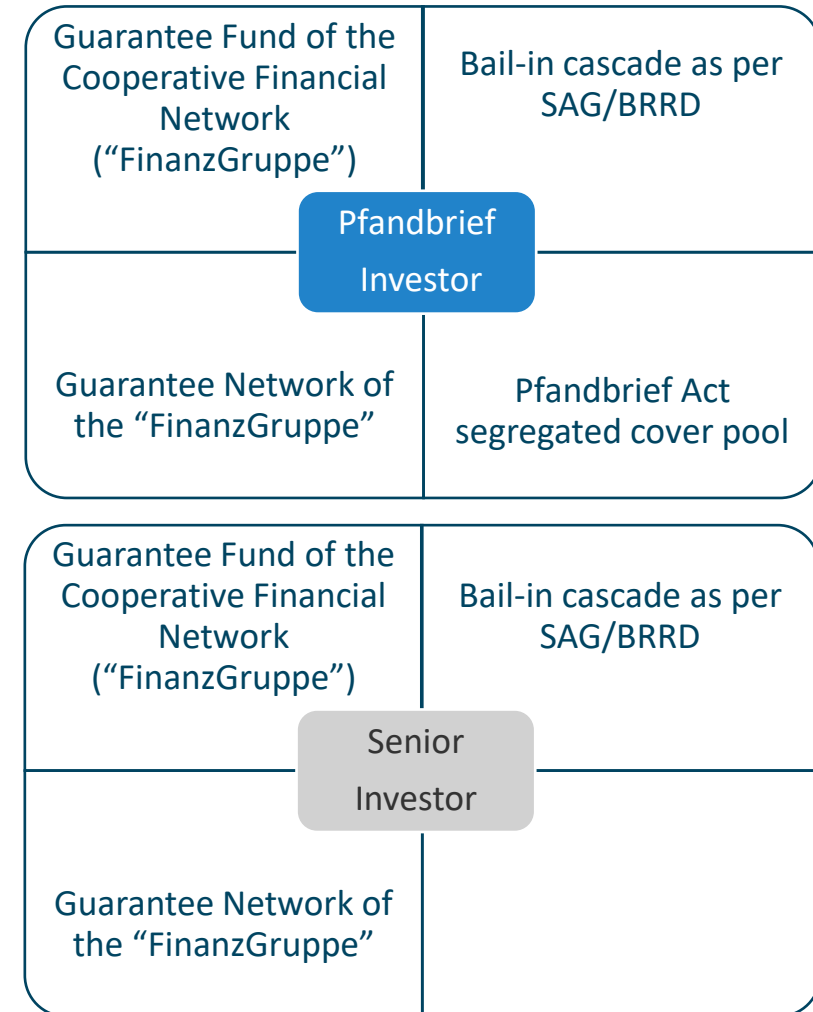
- Dual system consisting of BVR Institutssicherung GmbH (BVR-ISG) and BVR protection scheme
 - Officially recognised deposit insurance scheme supplemented by a voluntary bank-related protection system ensure stability and trust.
- Comprises deposit and institution protection
- Managed by the National Association of German Cooperative Banks (BVR)
- Additional control of all affiliated institutions
- Oldest protection system in the German banking industry
 - Fully paid-up and not on a guarantee basis

Functions

- Preventive measures to avert undesirable developments
- If necessary, restructuring measures

History

- No insolvency of an affiliated bank (since 1934)
- No loss of the notional amount of the cooperative shares
- No loss of deposits



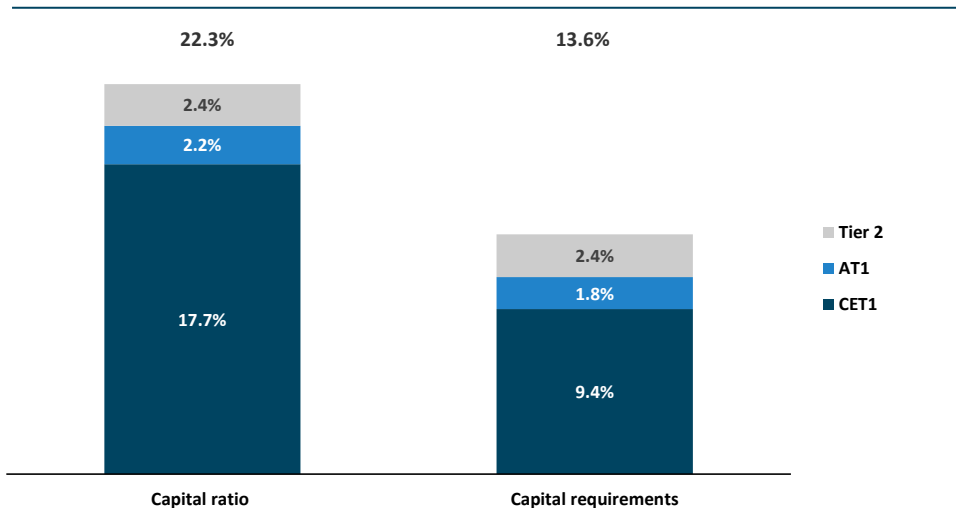


Capital position

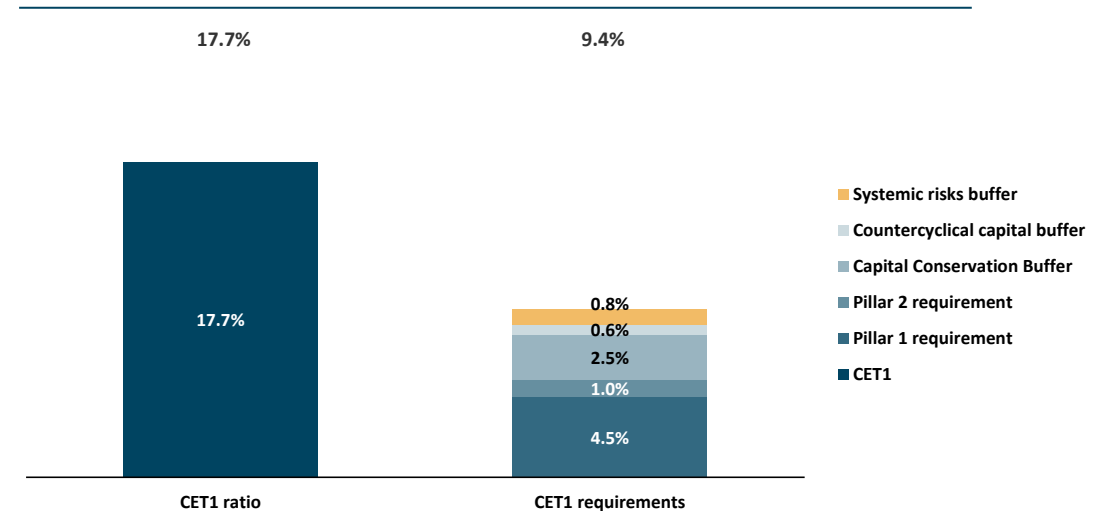
Münchener Hypothekbank comfortably exceeds the regulatory minimum CET1 requirements

- Münchener Hypothekbank's CET1 ratio of 17.7% as per 30/06/2023 is comfortably above the minimum SREP requirements (CET1) of 9.4%.
- Münchener Hypothekbank has not been identified as an Other Systemically Important Institution (O-SII) and hence is not required to meet an O-SII charge currently.
- ADI amount to EUR 449 m (31/12/2022).
- RWA add up to EUR 9,843 m (30/06/2023).

Capitalisation 30/06/2023



CET1 ratio 30/06/2023



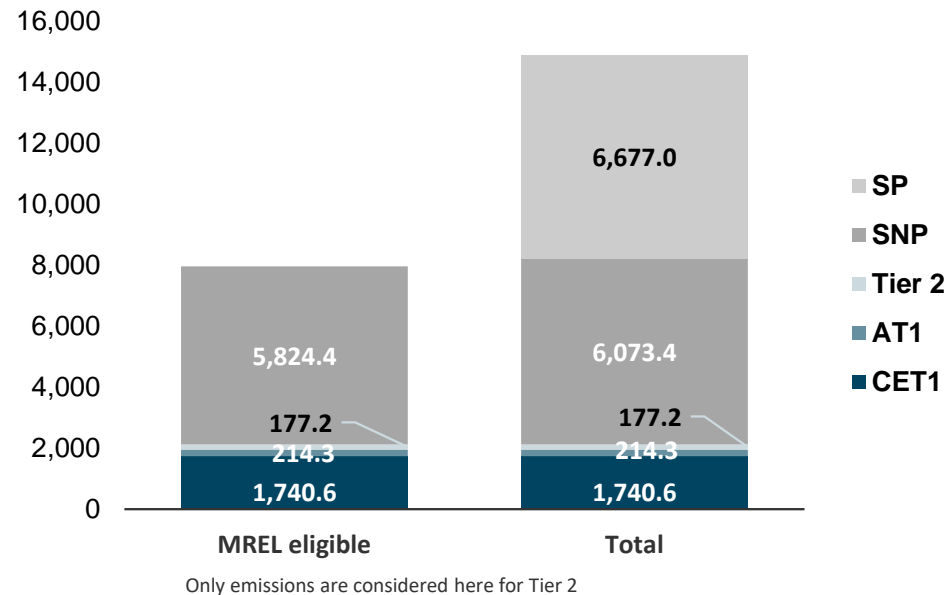


MREL and liability structure

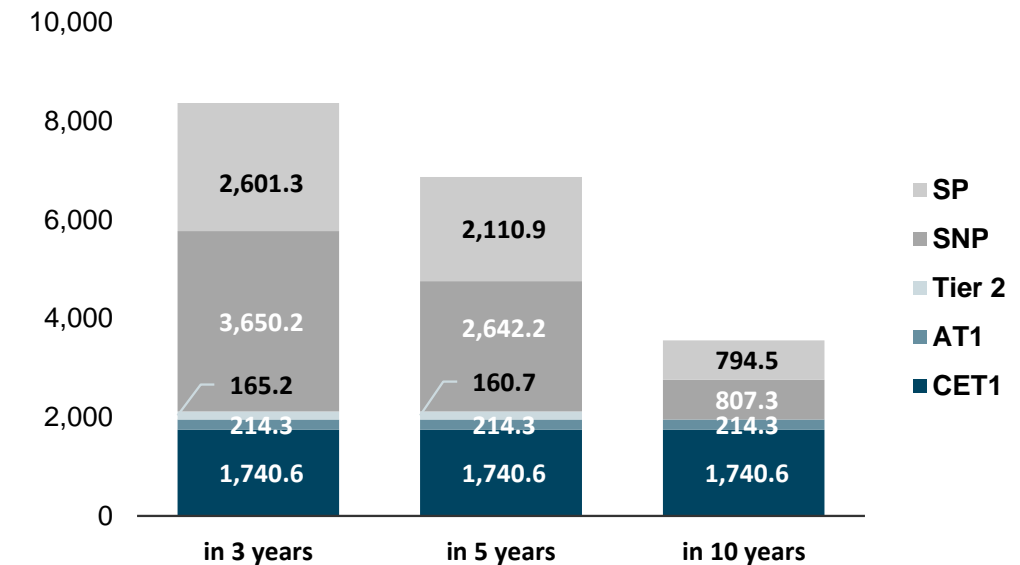
MREL requirements are fulfilled in the long term

- The MREL requirements are currently and in the future comfortably fulfilled.
- The portfolio of MREL-eligible senior non-preferred bonds has been continuously built up in recent years through frequent issuing activity.
- The issuance of bonds with medium- and long-term maturities is possible for investors at any time upon request.

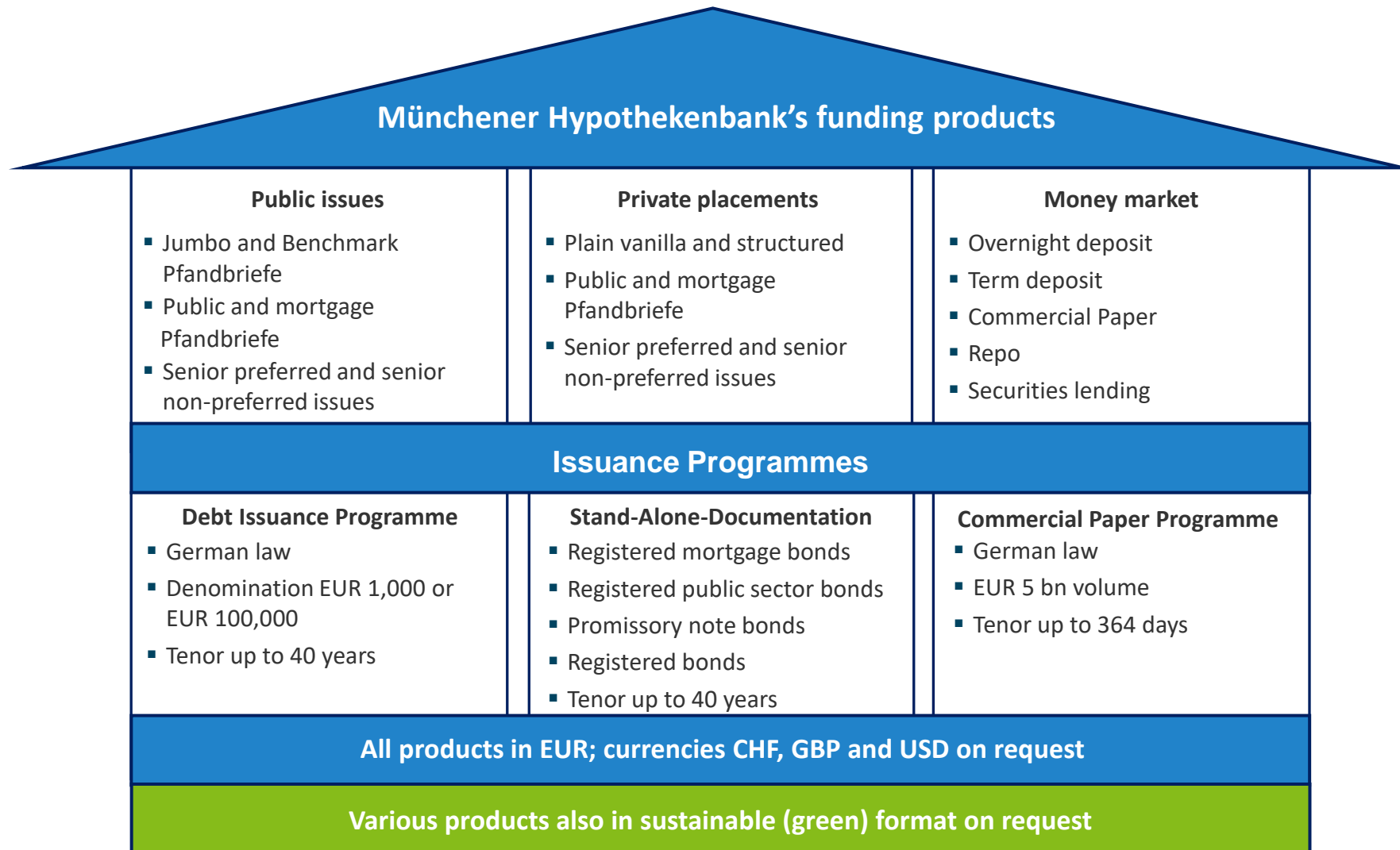
Structure of liabilities 30/06/2023 (EUR m)



Development liabilities 30/06/2023 (EUR m)



Funding products



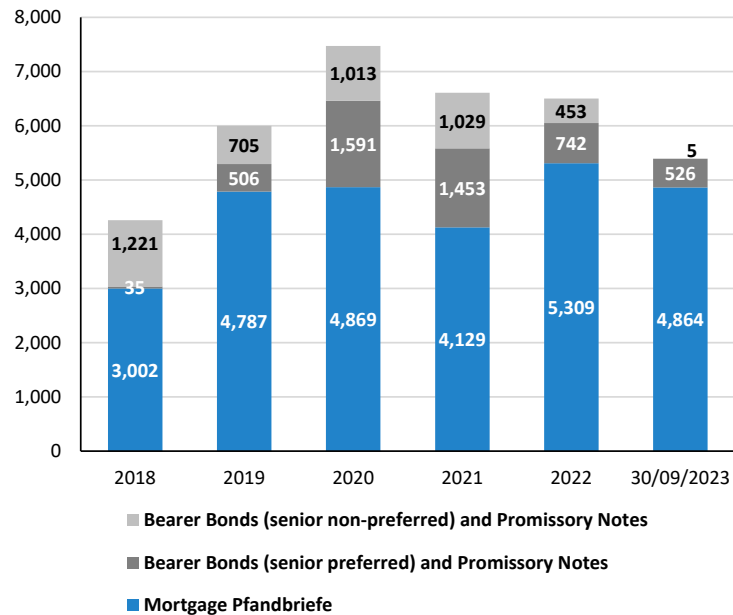


Funding and maturity profile

Münchener Hypothekbank has a comfortable funding and maturity profile

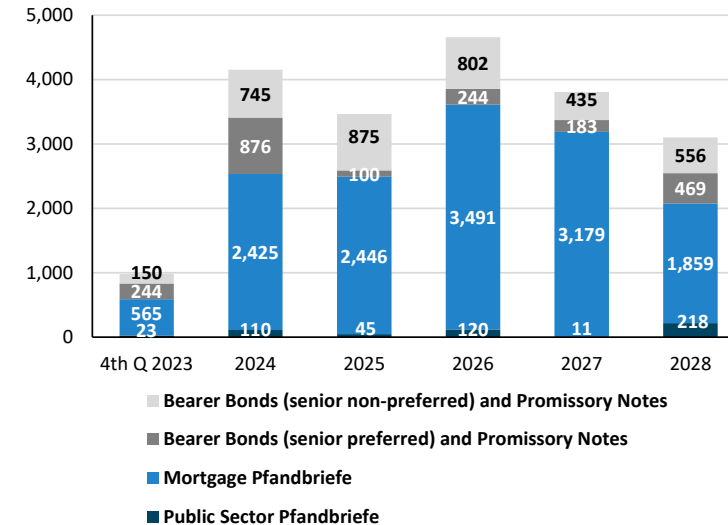
- Funding plan with a balanced distribution across all refinancing products
- Regular issuances of benchmark Pfandbriefe in various currencies and also in sustainable format
- Permanent offer of private placements with tailor-made terms and structures
- Cost efficient access to senior unsecured funding via the Cooperative Financial Network

Funding 30/09/2023 (EUR m)



Maturity profile 30/09/2023 (EUR m)

The maturities are based on the contractual final maturity / differentiation SP and SNP effective from 2018

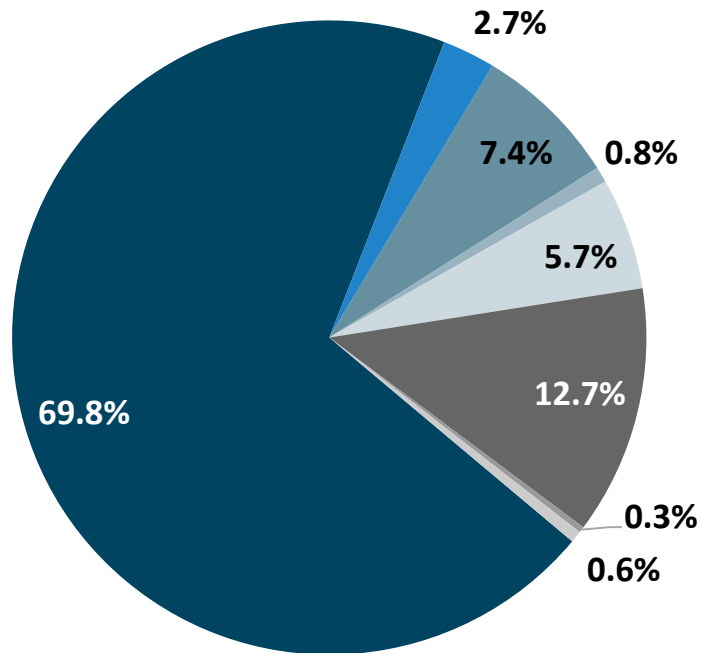




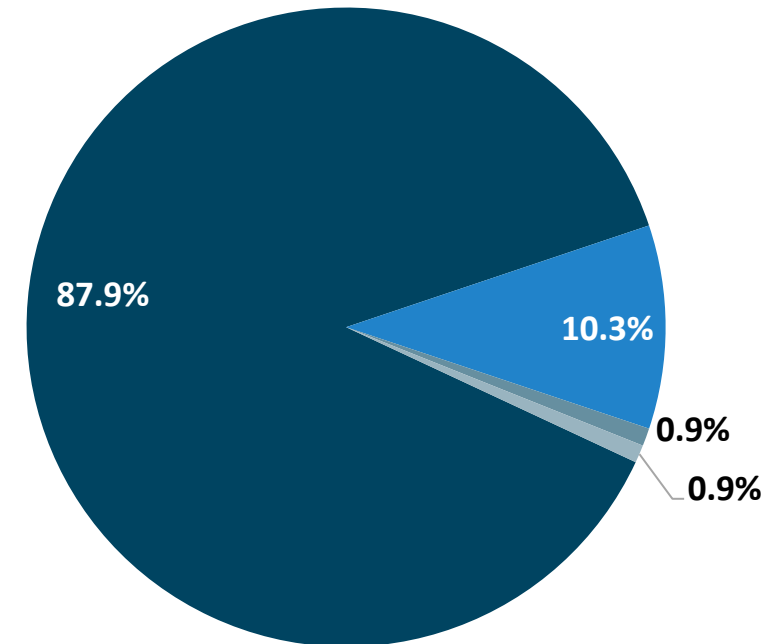
Funding mix

Overview of Münchener Hypothekbank's refinancing portfolio 30/06/2023

Funding products



Currencies



- Mortgage Pfandbriefe
- Senior preferred capital market
- Senior preferred money market
- Repos (no tender)
- Public Sector Pfandbriefe
- Senior preferred commercial paper
- Senior non-preferred
- Retail deposits

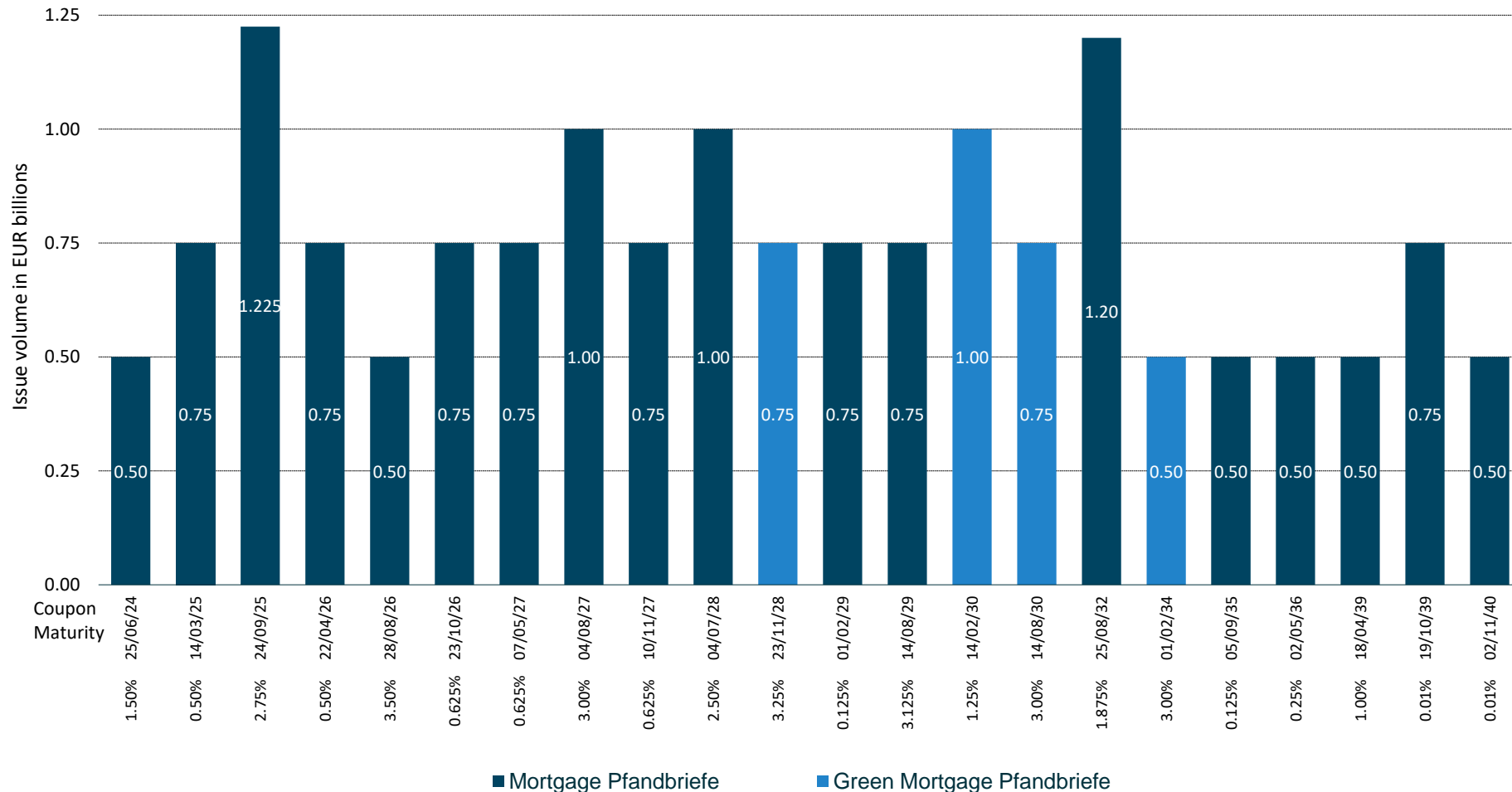
- EUR
- CHF
- USD
- GBP



Münchener Hypothekbank's EUR benchmark Pfandbriefe

Frequent benchmark issuer

Total volume of outstanding EUR benchmark Pfandbriefe: EUR 16.425 bn (02/02/2024)



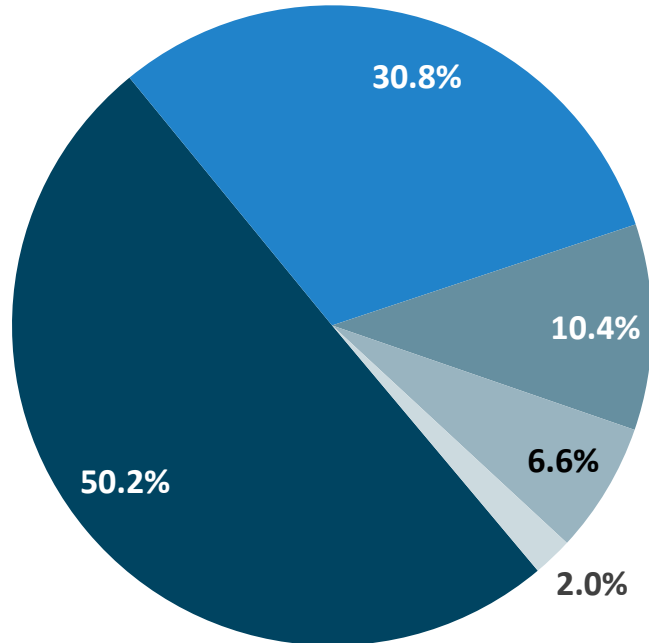


Lately issued benchmark Pfandbriefe

Issue January 2024: EUR 0.5bn, 10 years green Mortgage Pfandbrief, MS + 34bp

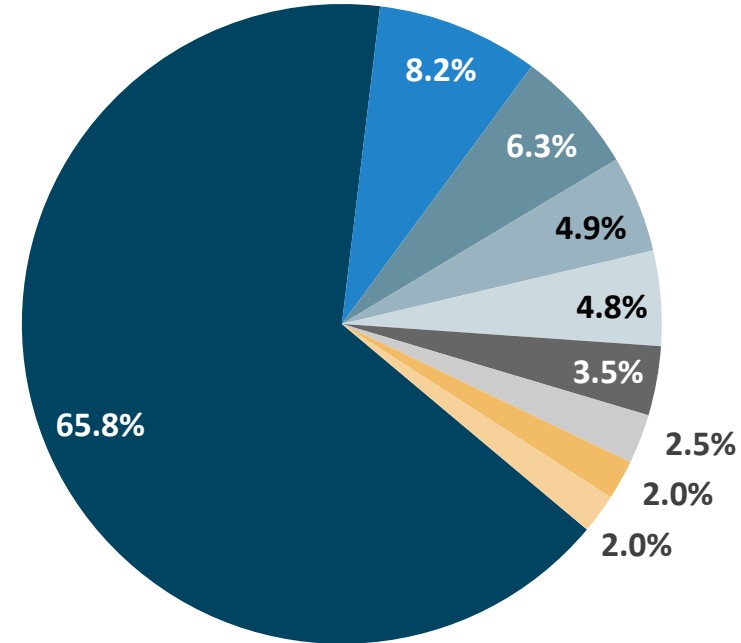
- ISIN DE000MHB38J4, 01/02/2024 – 01/02/2034
- Orderbook at re-offer above EUR 3.4 bn
- 123 orders from 17 countries

Investor type



- Banks
- Asset Manager & Funds
- Central Banks & OI
- Insurances & Pension funds
- Others

Geographic split



- Germany
- BeNeLux
- UK & Ireland
- Austria & Switzerland
- France
- Nordics
- Italy
- Czech Republic
- Others

Contact

Münchener Hypothekbank eG

Karl-Scharnagl-Ring 10
80539 München
Germany

Investor Relations: investor@muenchenerhyp.de

Telefon: +49-89-5387-0

Bloomberg: MHYP und MUNHYP

Internet: <https://www.muenchenerhyp.de>





Disclaimer

This document has been prepared by MünchenerHyp, exclusively for informational purposes. The investments and investment services referred to are not available to private customers, nor for persons who are subject to US securities laws, and should not be distributed in the US or to any US person nor in any jurisdiction in which its distribution would be prohibited. This presentation does not constitute a public offer or the solicitation of an offer to buy any securities or financial instruments. It is not a substitute for investors' own, independent examination opportunities and risks inherent in the products described, taking investors' investment objectives into account. Under no circumstances should this document be taken as a basis for any investment decision with regard to any securities or other financial instruments; such decision should be based on a prospectus or information memorandum. In particular, MünchenerHyp does not act in the capacity of an investment advisor, or in fulfilment of fiduciary duties. This document does not constitute financial analysis. Data, facts or information provided in this document do not purport to be complete, accurate, or appropriate; they were taken from Sources the author considered to be reliable, without however verifying such information. Information and statements contained herein are as at the date of this document. They can change at any time or may become obsolete as a result of future developments. MünchenerHyp is under no obligation to correct or update such information or statements, or to provide information about this. Accordingly, no representation or warranty as to the accuracy or completeness of the information or expressions of opinion contained herein is made by MünchenerHyp. MünchenerHyp shall not be liable for direct or indirect losses caused by the distribution and/or use of this document, or any losses in connection with the distribution and/or use of this document. This document includes expectations and forecasts that relate to the future. These forward-looking statements, in particular those regarding MünchenerHyp's business and earnings developments, are based on forecasts and assumptions, and are subject to risks and uncertainty. As a result, the actual results may differ materially from those currently forecast. The information in this document is proprietary to MünchenerHyp; neither this document nor any of its contents may be disclosed to or referred to any third party, or used for any other purpose, without MünchenerHyp's prior written consent.