



Press Release

MünchenerHyp increases its results once again

Munich, 18 October 2016 – Münchener Hypothekbank eG announced today that its results have risen further. As of 30 September 2016 the Bank recorded net interest income of € 168.5 million (30 September 2015: € 161.7 million), or 4.2 percent over the same year-ago figure. “We are on track to improve our earnings and see ourselves well positioned to face the growing challenges posed by the market and competition“, said Dr. Louis Hagen, Chief Executive Officer of MünchenerHyp.

MünchenerHyp was able to further expand its new residential property financing business with partner banks within the Cooperative Financial Network as well as with independent providers of financial services. New lending commitments rose by 5 percent to € 2.2 billion (30 September 2015: € 2.1 billion). Successful joint sales activities with the Swiss PostFinance made it possible to significantly reduce the weakness noted in the first half of the year. New lending commitments made to finance commercial property were about € 900 million in comparison to the year-ago figure of about € 1.3 billion). The Bank recorded lower new business results as it remained true to its proven financing principles in a market environment where lenders were willing to accept greater risks and lower margins. MünchenerHyp posted total new business results of € 3.4 billion on 30 September 2016 (30 September 2015: € 3.7 billion).

The risk situation in the Bank’s lending business remained at a stable level as results from ordinary business operations increased by € 9 million to € 45.5 million. After deduction of taxes the Bank’s net income for the year improved by € 5.3 million on a pro rata temporis basis to € 27.1 million.

Total assets rose over the course of the year by about € 1 billion to € 39.1 billion as MünchenerHyp expanded its portfolio of mortgage loans by € 1.5 billion to € 27.2 billion. In line with its business strategy the Bank further reduced its portfolio in the capital markets business.



MünchenerHyp was able to continue obtaining refinancing at good conditions. The volume of refinancing resources noted on 30 September 2016 amounted to € 33.1 billion (31 December 2015: € 32.1 billion).

MünchenerHyp's level of equity capital remains very solid. As on 30 September 2016 the Bank's Tier 1 capital ratio was 19.0 percent and its common equity Tier 1 capital ratio was also 19.0 percent, while its total capital ratio stood at 20.7 percent.

MünchenerHyp expects that it will be able to continue its favourable development into the final quarter of the year and that its net income for the year will be moderately higher than the same year-ago figure.

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