

Investor presentation

Financial figures 30/06/2025

Münchener Hypothekenbank





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Introduction



Münchener Hypothekenbank

A strong real estate bank

Review of the year 2024

- Strong result will enable MHB to continue and sustain its success over the long term
- Meeting strategic revenue goal with net income of EUR 105.6 m
- Strengthening of reserves and attractive dividend
- Persistently challenging market environment in property financing
- Solid portfolio of interest-bearing business
- Increased new mortgage business by 7%
- Cemented reputation as an issuer of sustainable bonds

Outlook for the year 2025

- EUR 1.5 bn total new business
- Operating result after loan loss provisions at EUR 92.0 m
- Digital progress
 - Successful launch of MHB RAPID offers first fully automated credit assessment system

Financial figures 31/12/2024

468[↗]

Interest Income and net commission income
in EUR million
2023: 451 (+4%)

32.5[↘]

Cost-income ratio
in %
2023: 36.5 (-4PP*)
*percentage points

191[↗]

Income from ordinary business activities
in EUR million
2023: 171 (+12%)

54.5[↗]

Total assets
in EUR billion
2023: 54.1 (+1%)

46.2[↘]

Portfolio of mortgage loans
in EUR billion
2023: 46.5 (-1%)

3.1[↗]

New mortgage business
in EUR billion
2023: 2.9 (+7%)



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 55.6 bn total assets (30/06/2025)
- Broad based ownership and no predominant owner
- Moody’s rating: Aa2 senior unsecured (stable), A1 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 regulatory own funds

Members as largest capital investor

Membership

- 54,648 members
- 18.0 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

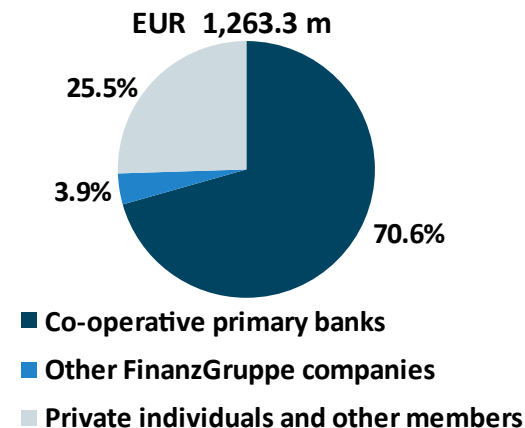
Regulatory own funds 30/06/2025 (EUR m)

Common Equity Tier 1 (CET1)		1,844.0
Cooperative shares	1,263.3	
Retained earnings	518.0	
Funds for general banking risk	120.0	
Total regulatory adjustments to CET1	- 57.3	
Additional Tier 1 (AT1) capital		224.0
Tier 2 (T2) capital		369.8
Total capital		2,437.8

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 30/06/2025





Ratings

Credit ratings and sustainability ratings of Münchener Hypothekenbank

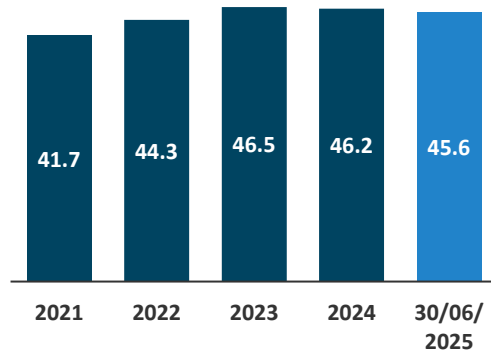
Rating agency	Categories	Credit rating	Outlook	Rating Action
	Issuer rating Münchener Hypothekenbank			
	Mortgage Pfandbriefe	Aaa		
	Senior unsecured (senior preferred notes)	Aa2	stable	↗
	Junior senior unsecured (senior non-preferred notes)	A1		↗
	Short-term liabilities	P-1		
	Long-term deposits	Aa2	stable	↗
	AT1	Baa3 (hyb)		↗
	Tier 2	Baa1		↗
	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		Rating (ISS ESG)		
			C+	



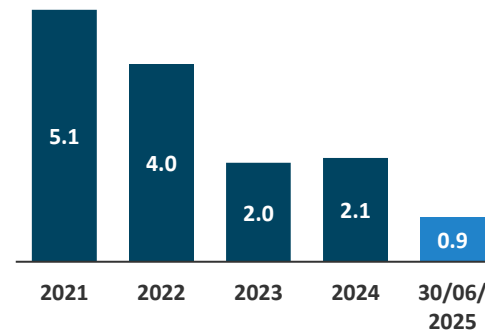
Business performance

Loan business and profitability

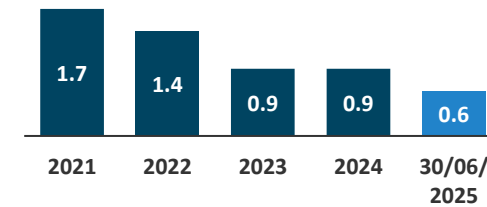
Mortgage loan portfolio (EUR bn)



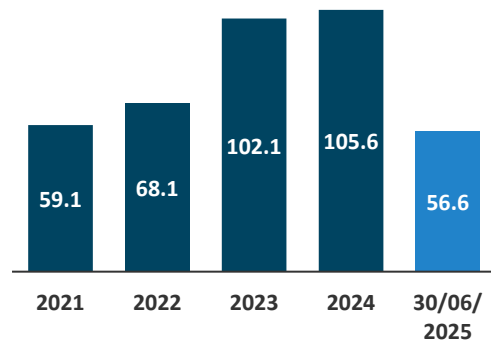
New loans residential (EUR bn)



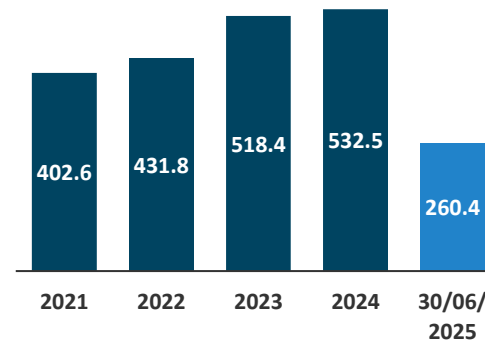
New loans commercial (EUR bn)



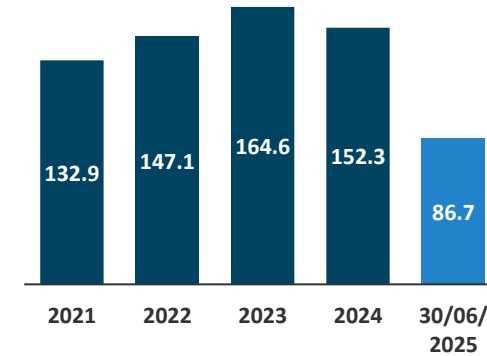
Net income (EUR m)



Net interest income (EUR m)



Total administrative expenses (EUR m)

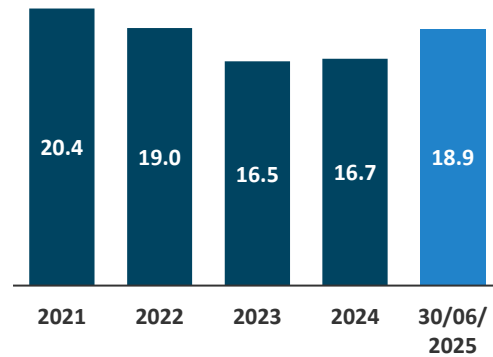




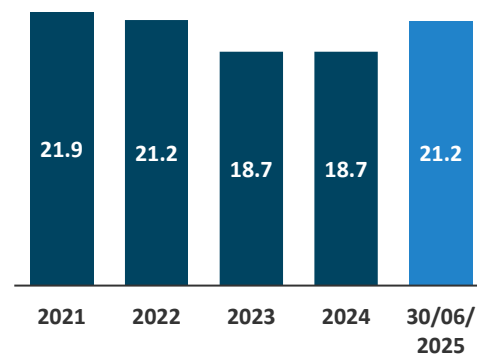
Business performance

Capital and regulatory

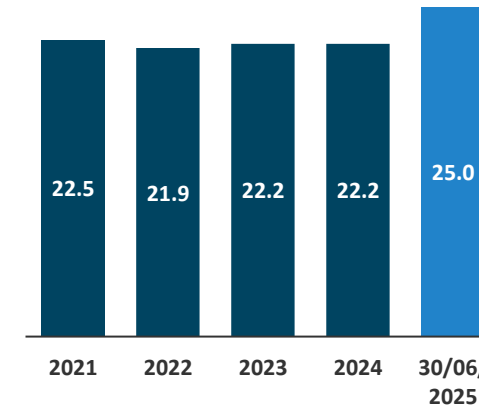
Common equity Tier 1 capital ratio (%)



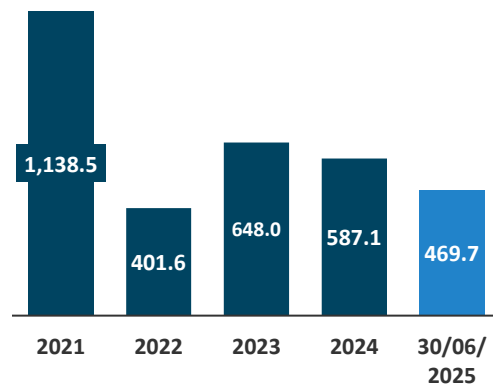
Tier 1 capital ratio (%)



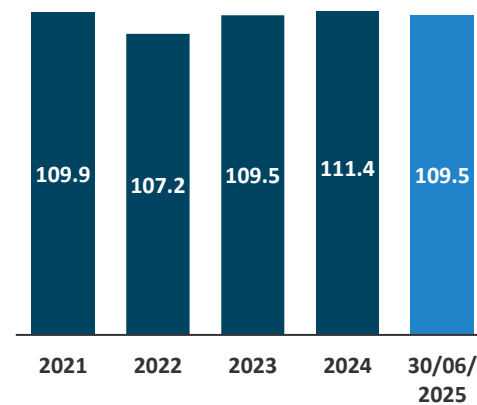
Total capital ratio (%)



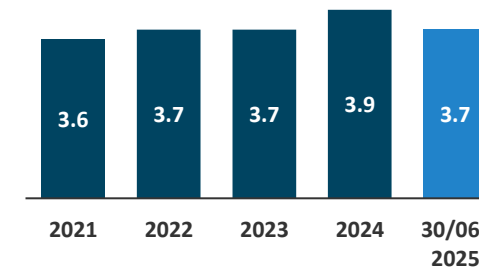
LCR (%)



NSFR (%)



Leverage ratio(%)





Mortgage loan portfolio

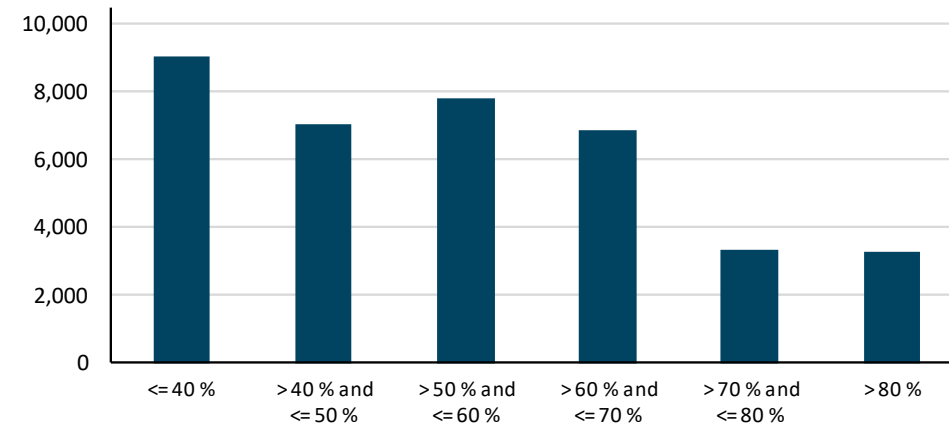
Portfolio impresses with its high granularity

EUR 45.5 bn loan portfolio 30/06/2025

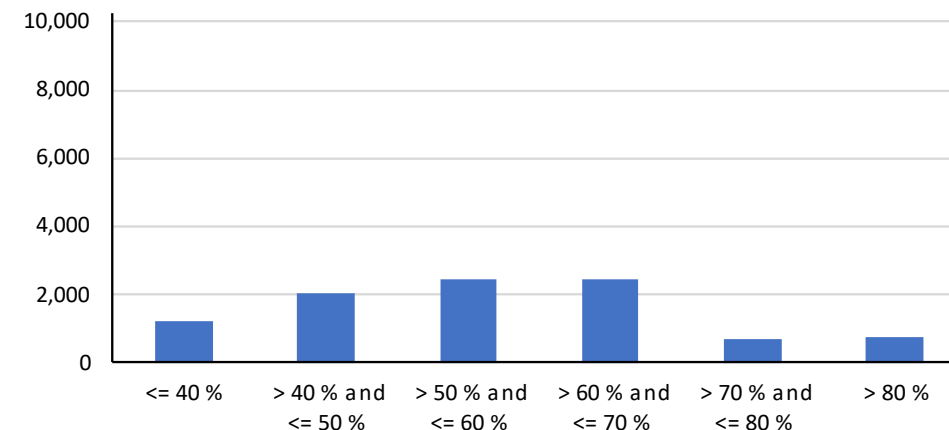
- 223,047 individual loans – thereof 221,924 residential
- Volume by type of underlying property:
 - 79.4% residential buildings
 - 20.6% commercial buildings
- Average loan size by property type:
 - About EUR 163,000 residential properties
 - About EUR 8,353,000 commercial properties
- Average LTV:
 - 53.6% residential buildings
 - 60.0% commercial buildings
- Geographic split:
 - 46.5% Bavaria, Baden-Württemberg, Hesse and NRW
 - 34.7% other German States
 - 11.5% Switzerland
 - 7.3% other non-domestic
- NPL-ratio: 1.71%
- The focus of the bank's strategy is not on development loans or building project organizer financing

LTV 30/06/2025

Residential (credit volume EUR m)



Commercial (credit volume EUR m)





Sustainability



Sustainability at Münchener Hypothekenbank

ESG holistically implemented in the bank



Environmental

- Implementation of ESG criteria in the lending process
- Yearly allocation reporting and yearly impact reporting for the green portfolio
- Monitoring and measuring physical and transitory climate risks
- Calculating financed GHG emissions in the loan portfolio
- Disclosing of the Green Asset Ratio



Social

- Promoting Diversity in the bank (Diversity Charta signed in 2014, Diversity strategy adopted in 2023)
- Various offers to promote employee health
- Promoting life-long learning of all employees
- Supporting the compatibility of family and career



Governance

- Bundling ESG expertise in the Non-Financial-Riskmanagement department
- Regular ESG-Committee meetings
- Implementing sustainability in the core business
- Responsible investment policy
- Strict compliance rules
- Active association memberships

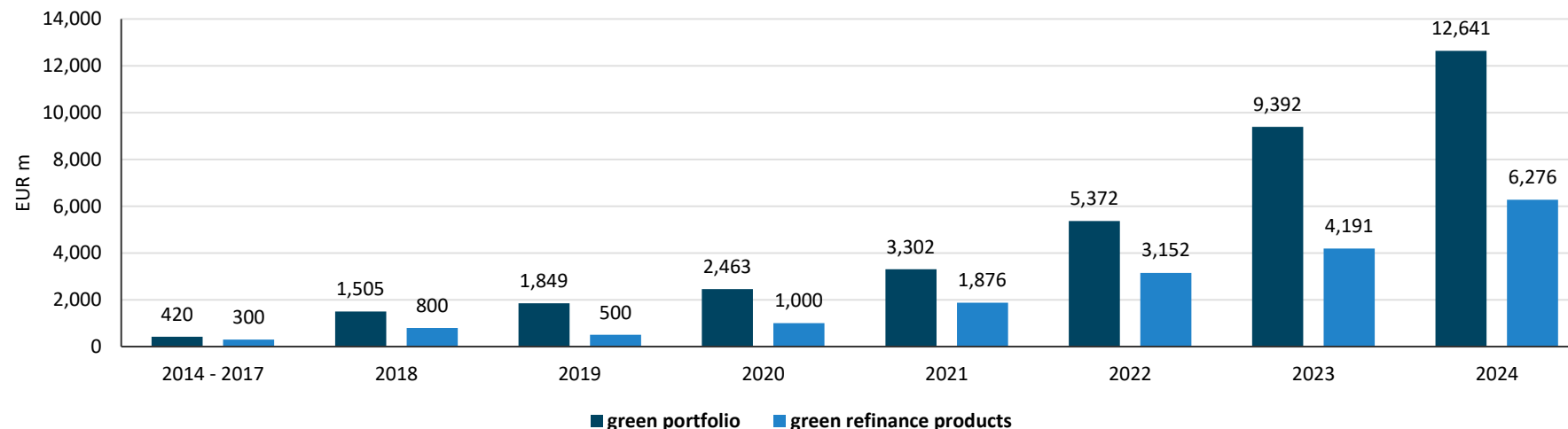


Green refinancing of MHB

From pioneer to established green issuer

- In 2014, MHB issued the world's first sustainable Pfandbrief with a volume of EUR 300 m.
- The first product on the assets side was the sustainable loan in 2015, which was followed by further products.
- Initially, refinancing was limited to ESG and green Pfandbriefe, followed by green unsecured bonds, green capital products and green money market products.
 - Green deposits are being planned.
- As at 31/12/2024, a total of EUR 6.3 bn green products were on the liabilities side of the balance sheet.
 - vdp green Pfandbrief licence holder from 2019
 - EUR 3.8 bn, the green Pfandbrief plays the most important role.



Development of the green portfolio and the green funding





Sustainable loan selection criteria

Tightening of the requirements

ICMA Green Bond Principles vdp minimum requirements	Selection criteria	Contribution to UN SDG	Contribution EU climate targets and economic activities
Green Properties	<p>New construction financing from 01/01/2021</p> <ul style="list-style-type: none"> ▪ NZEB – 10% in Germany and other EU countries (proof is provided via the energy performance certificate) ▪ nationally applicable standards in non-EU countries <p>Existing properties until 31/12/2020</p> <ul style="list-style-type: none"> ▪ Energy efficiency class A or better ▪ Top 15% of national or regional property stock with regards to energy consumption/demand, separately for residential and commercial properties <p>Renovation</p> <ul style="list-style-type: none"> ▪ 30% reduction of energy consumption/demand by renovations/ refurbishments measures (reached levels consistent with EU climate objectives) 	 	<p>Substantial contribution to climate change mitigation (Article 10 EU Taxonomy)</p> <p>EU Taxonomy-eligible economic activities:</p> <ul style="list-style-type: none"> ▪ 7.1 Construction of new buildings ▪ 7.2 Renovation of existing buildings ▪ 7.7 Acquisition and ownership of buildings
Green Residential Properties	<p>Existing properties until 31/12/2020</p> <ul style="list-style-type: none"> ▪ Co-financed by KfW funding programmes for energy-efficient construction and renovation 		
Green Commercial Properties	<p>Existing properties until 31/12/2020</p> <ul style="list-style-type: none"> ▪ Sustainability certificate in top categories of an established provider 		



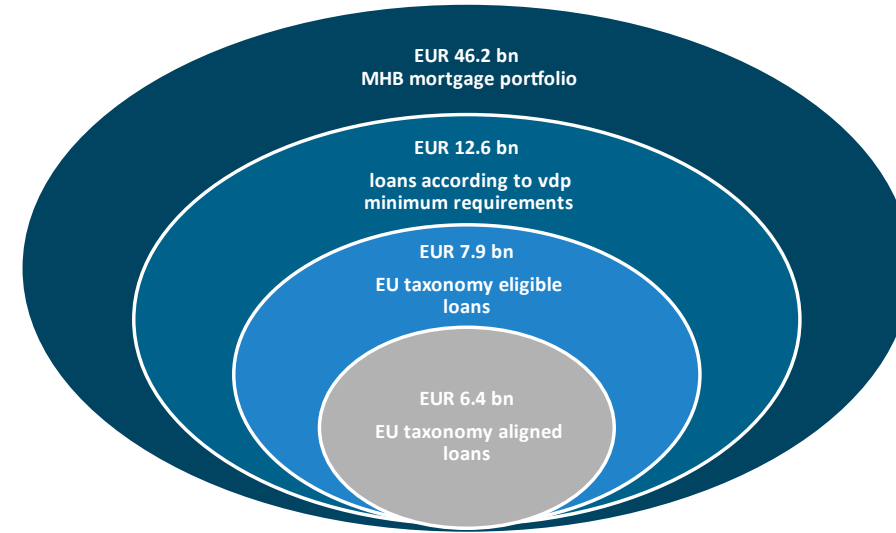
Green portfolio of MHB

Taxonomy and green portfolio

Taxonomy within the green portfolio 31/12/2024

- GAR 14.31%
- EUR 12.6 bn green portfolio
- 27.4% of the total mortgage portfolio
- Characteristics of the green portfolio:
 - 100.0% fulfill vdp minimum requirements/GBF
 - 62.9% fulfill EU taxonomy eligibility
 - 51.0% fulfill EU taxonomy alignment

Green portfolio EUR 12.6 bn 31/12/2024



Allocation reporting 31/12/2024

Assets	Notional value in EUR m 31/12/2024		Liabilities
Cover pool residential	6,378.0	3,835.0	Green Pfandbriefe
Cover pool commercial	3,271.2	123.1	green Tier 2
Residential not in cover pool	1,175.9	2,295.0	green senior bonds
Commercial not in cover pool	1,815.5	23.0	green CP & green term money
Total assets	12,640.6	6,276.1	Total liabilities

Conversion into EUR with ECB Euro foreign exchange reference rates









Cooperative Financial Network



The German banking landscape

Supervised by ECB, Deutsche Bundesbank and BaFin

31/12/2024	Public	Cooperative	Private
Banking sector			
Regional focus			
	regionally focused	regionally focused	countrywide
Credit institutions	5 Landesbanks affiliated groups DekaBank 353 Savings banks	Cooperative central institution 672 Cooperative banks specialised cooperative companies	Major German private banks + foreign banks
Market share (GER)*	34%	24%	< 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 (31/12/2024)

- organized collectively and committed to its members
 - EUR 1,638 billion total assets
 - EUR 10,758 million profit before tax
 - 672 cooperative banks and other specialized companies
 - 173,500 employees
 - 30 million customers, including 17.6 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
Outlook	stable	stable





Capital and creditor protection



Creditor protection

Protection and safety with high priority

Protection within the Cooperative Financial Network

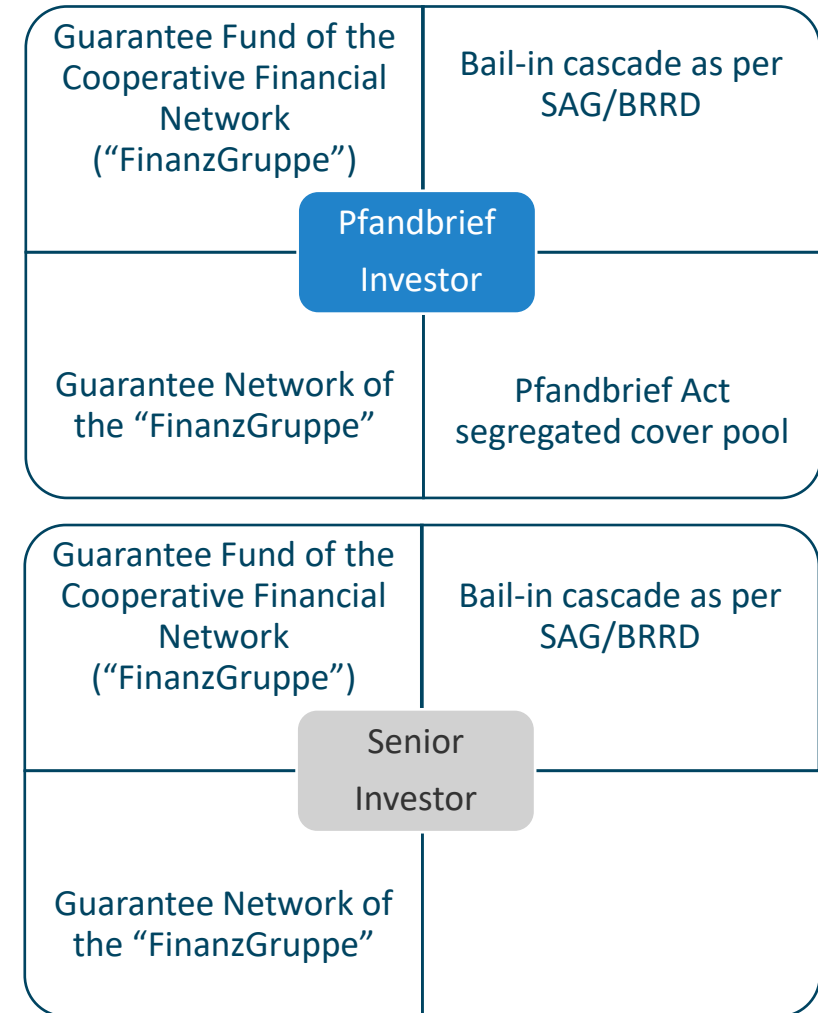
- Dual system consisting of BVR Institutssicherung GmbH (BVR-ISG) and BVR protection scheme
 - Officially recognised deposit insurance scheme supplemented by a voluntary bank-related protection system ensure stability and trust.
- Comprises deposit and institution protection
- Managed by the National 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



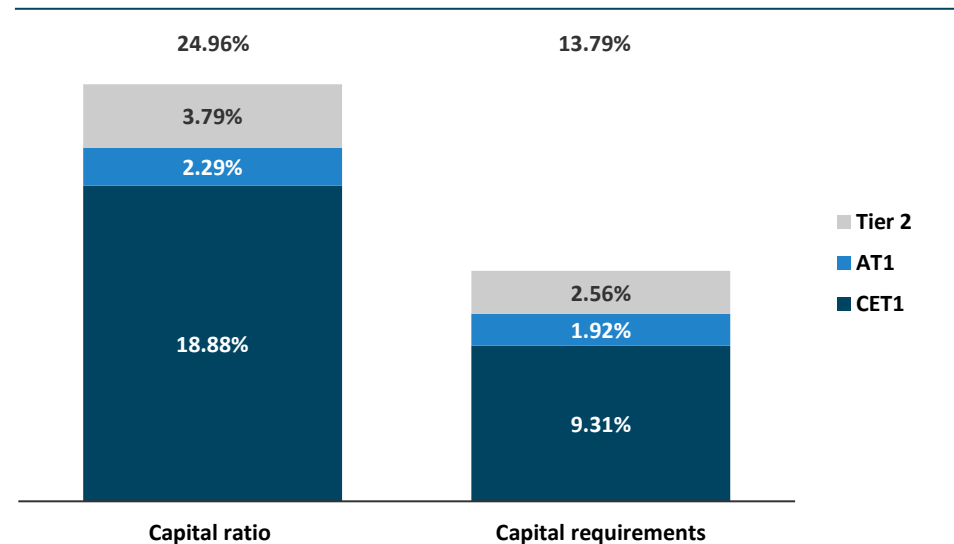


Capital position

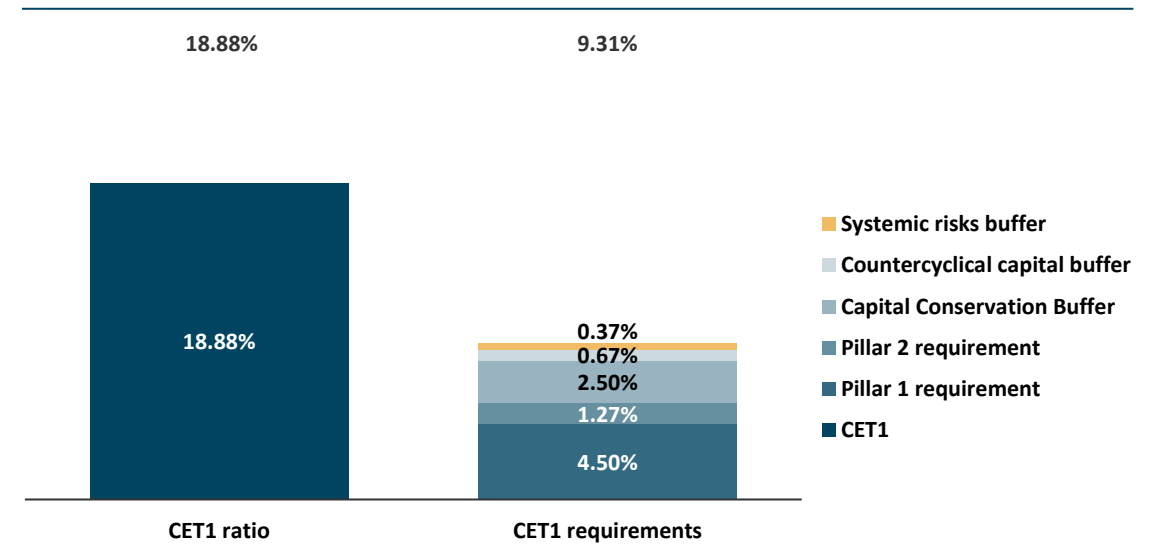
Münchener Hypothekbank comfortably exceeds the regulatory minimum CET1 requirements

- Münchener Hypothekbank's CET1 ratio of 18.88% as per 30/06/2025 is comfortably above the minimum SREP requirements (CET1) of 9.31%.
- 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 575 m (30/06/2025).
- RWA add up to EUR 9,767 m (30/06/2025).

Capitalisation 30/06/2025



CET1 ratio 30/06/2025



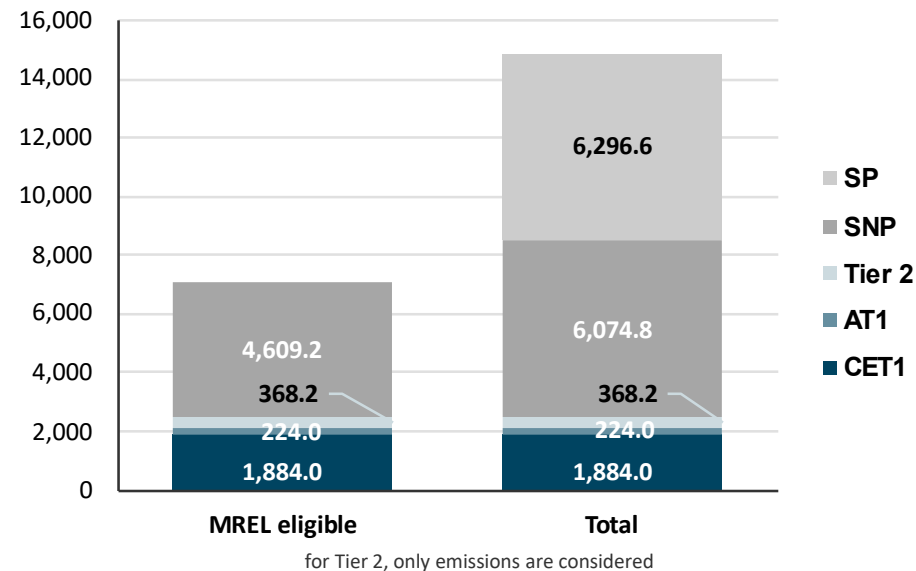


MREL and liability structure

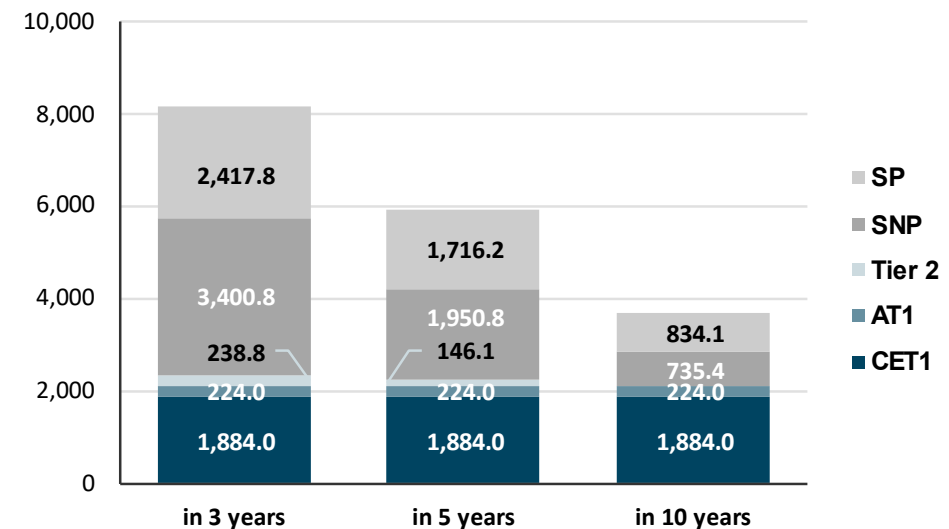
MREL requirements are fulfilled in the long term

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

Structure of liabilities 30/06/2025 (EUR m)



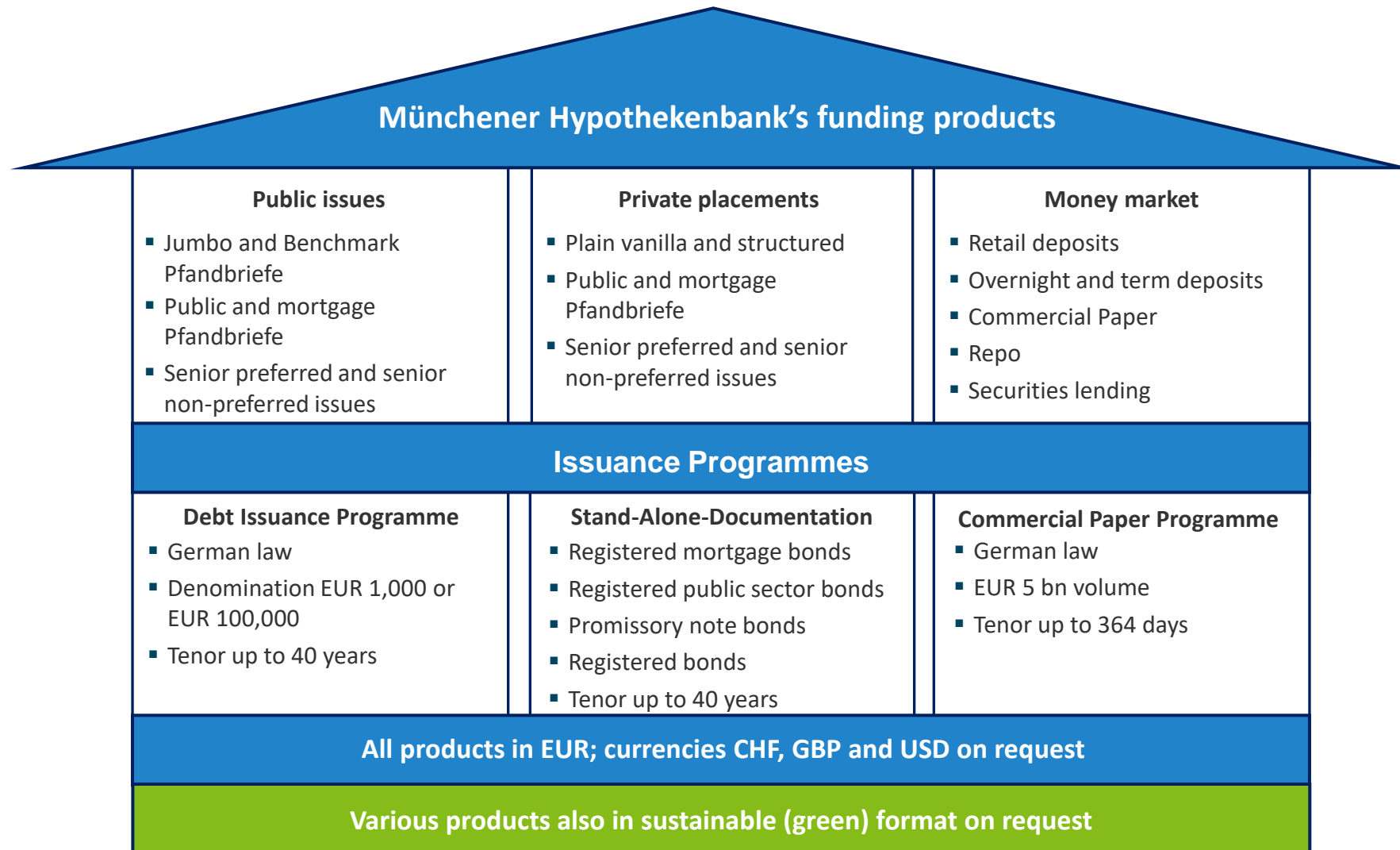
Development of liabilities 30/06/2025 (EUR m)





Funding

Funding products



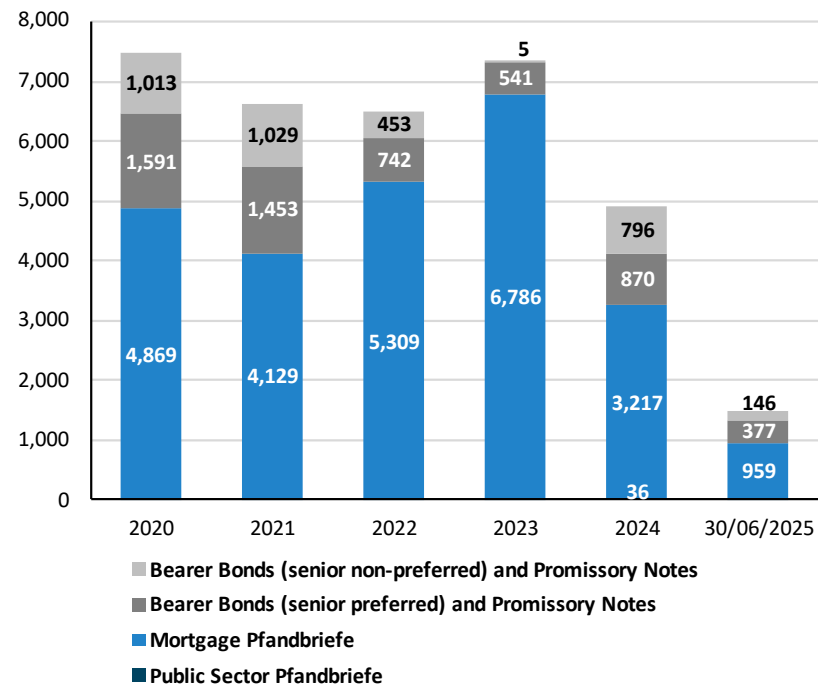


Funding and maturity profile

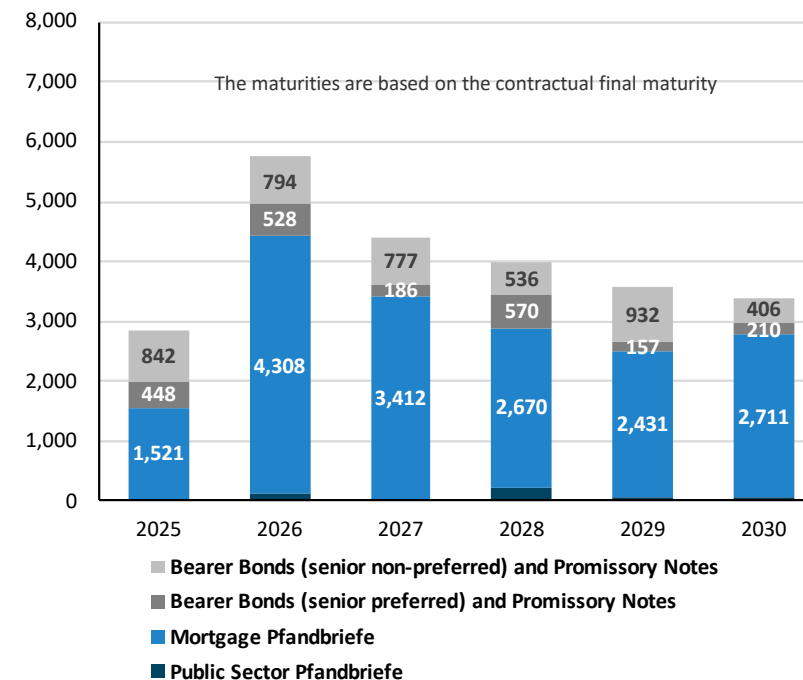
Münchener Hypothekbank has a comfortable funding and maturity profile

- 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 30/06/2025 (EUR m)



Maturity profile 30/06/2025 (EUR m)

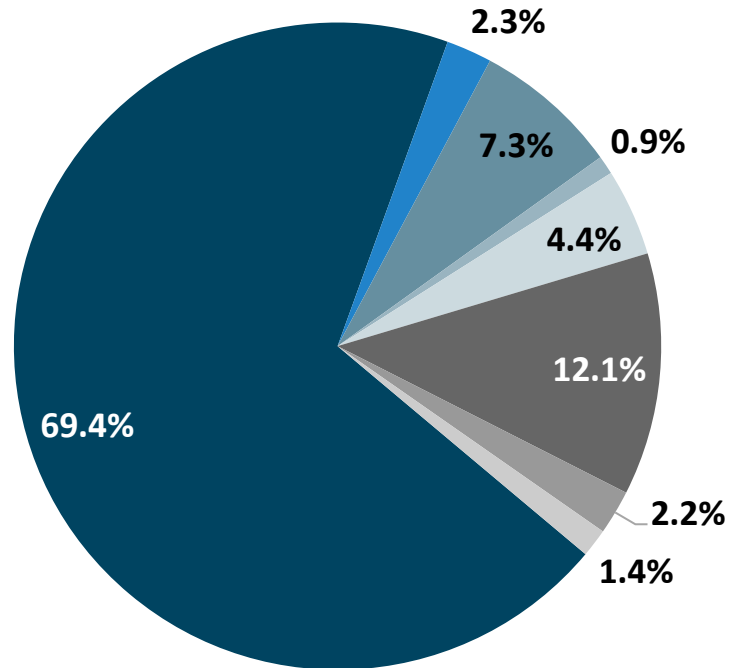




Funding portfolio

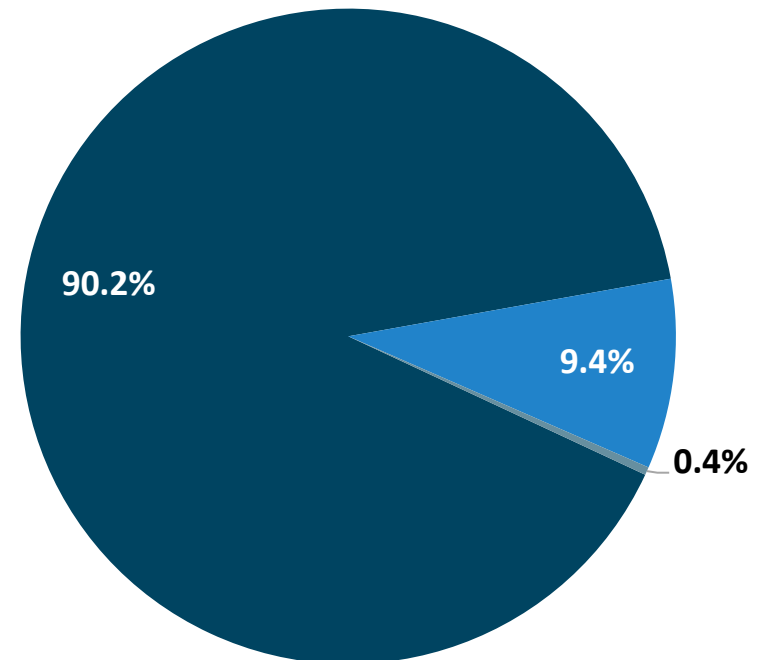
Composition of Münchener Hypothekbank's refinancing portfolio 30/06/2025

Funding products



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

Currencies



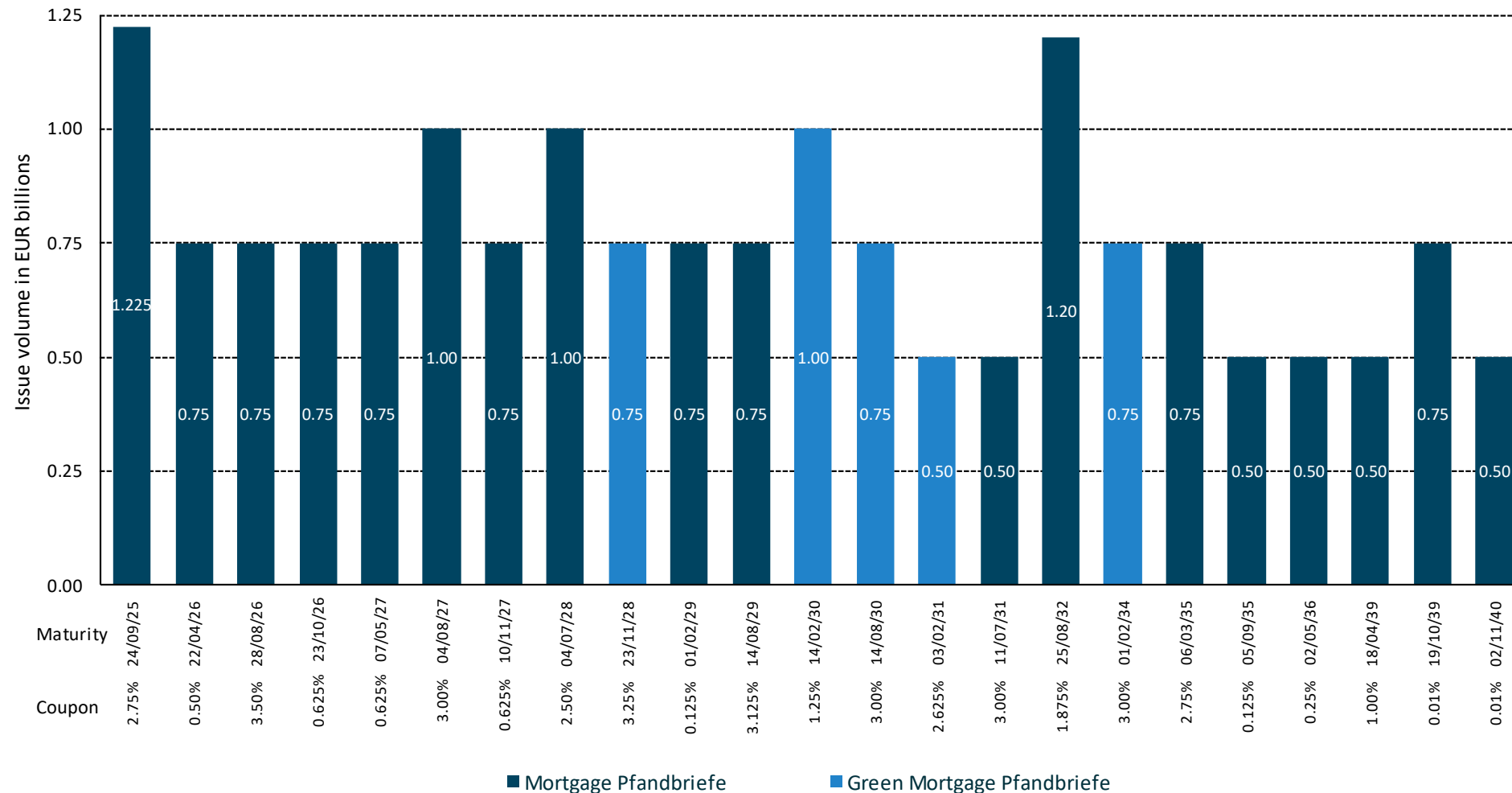
- EUR
- CHF
- USD



Münchener Hypothekbank's EUR benchmark Pfandbriefe

Frequent benchmark issuer

Total volume of outstanding EUR benchmark Pfandbriefe: EUR 17.425 bn (31/07/2025)



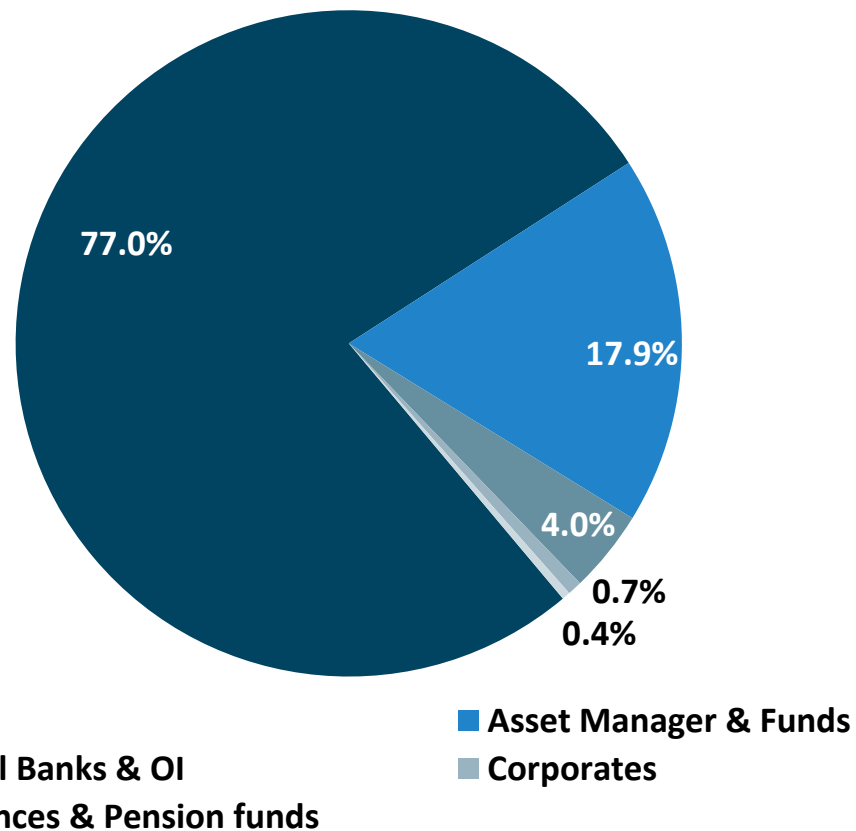


Lately issued benchmark Pfandbriefe

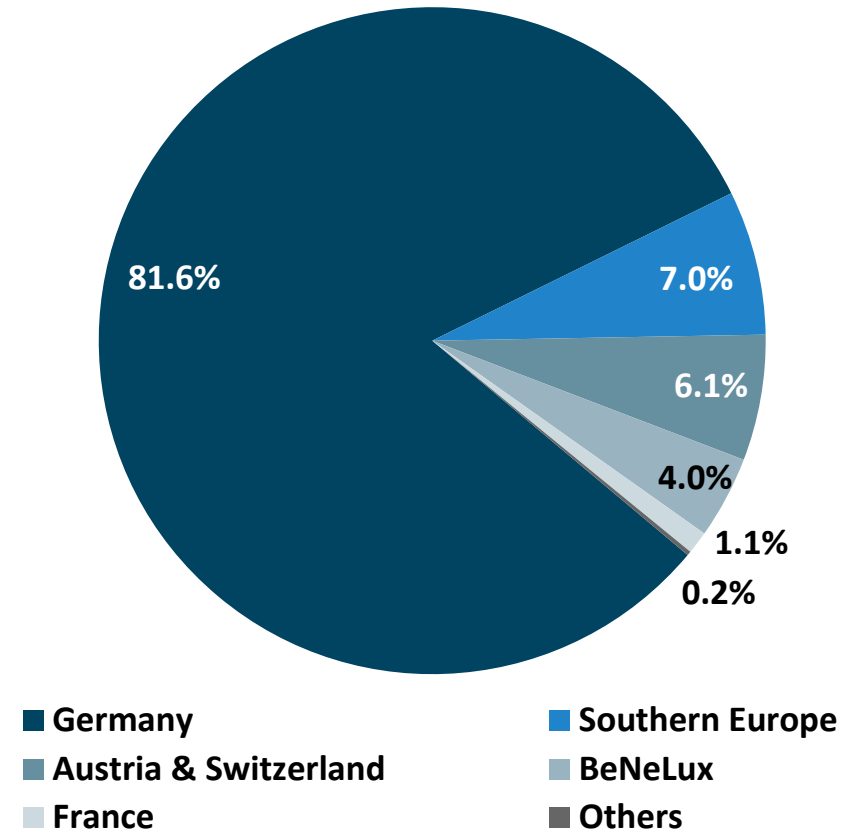
Issue March 2025: EUR 0.5bn, 10 years Mortgage Pfandbrief, MS + 44bp

- ISIN DE000MHB41J8, 06/03/2025 – 06/03/2035
- Orderbook at re-offer above EUR 0.92 bn
- 45 orders from 8 countries

Investor type



Geographic split





Appendix



Contact

Münchener Hypothekenbank eG

Karl-Scharnagl-Ring 10

80539 München

Germany

Investor Relations: investor@mhb.de

Contact person: Claudia Bärdges-Koch, Head of Investor Relations & Client Acquisition

Telefon: +49-89-5387-88-5520

Bloomberg: MHYP und MUNHYP

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

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