



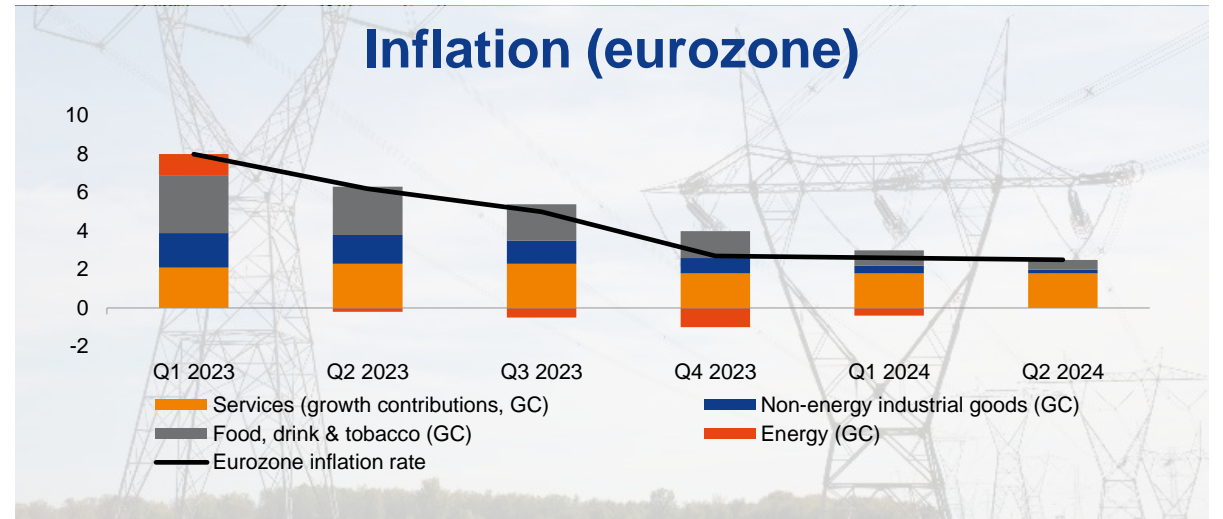
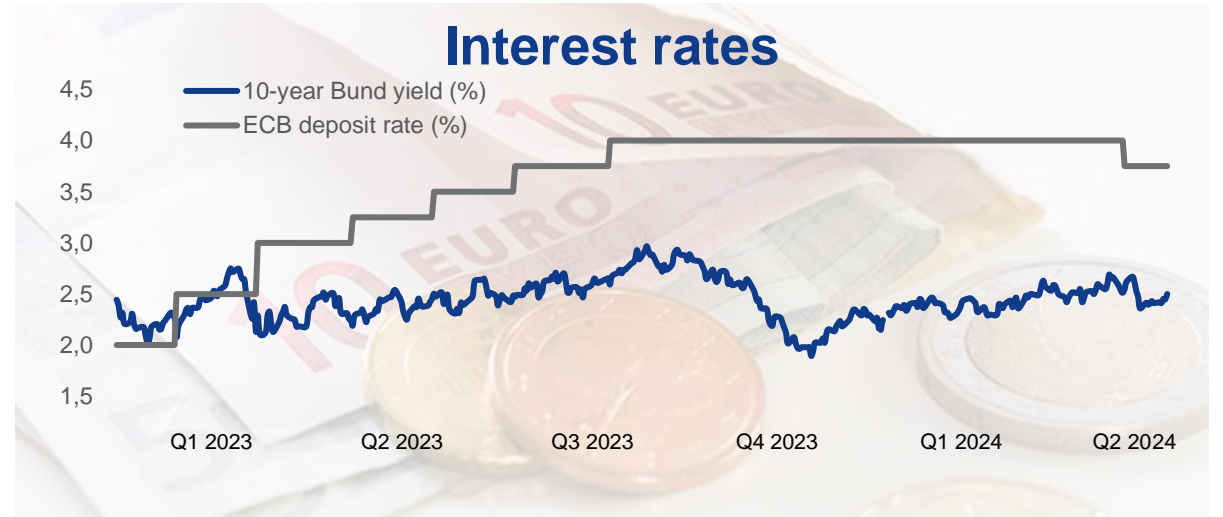
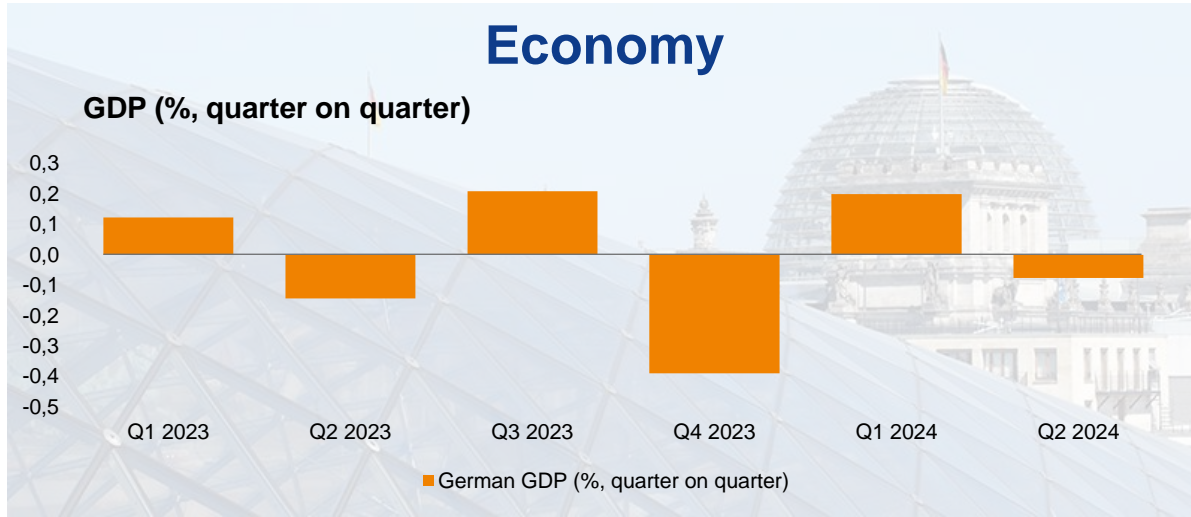
# Press briefing on the first half of 2024

Frankfurt am Main, August 29, 2024

 **DZ BANK** Group

# 1. Overview

# Challenging economic and geopolitical conditions





# Results of the DZ BANK Group for the first half of 2024

Very good  
profit before taxes

€ **1.7** billion

Profit before taxes

Stable  
risk situation

€ **206** million

Loss allowances –  
additions

Very good  
capital base

**15.7** percent

Common equity Tier 1  
capital ratio

Focus on  
efficiency

**54.3** percent

Cost/income ratio

# DZ BANK Group: Income statement, by group entity

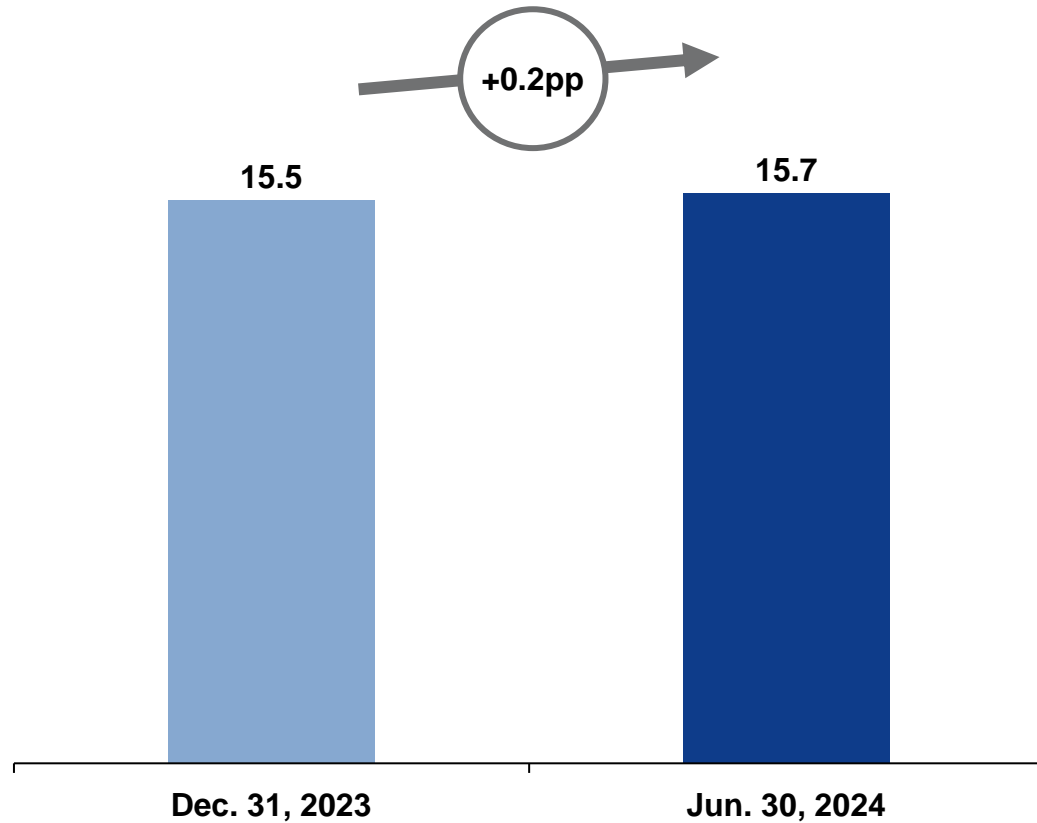
€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (%)
<b>BSH</b>	47	-14	>100%
<b>R+V</b>	586	740	-20.8%
<b>TeamBank</b>	19	57	-66.7%
<b>UMH</b>	616	442	+39.4%
<b>DZ BANK – central institution and corporate bank</b>	383	697	-45.1%
<b>DZ HYP</b>	208	212	-1.9%
<b>DZ PRIVATBANK</b>	52	53	-1.9%
<b>VR Smart Finanz</b>	-10	-6	-66.7%
DZ BANK – holding function	-194	-194	+0.0%
Other/Consolidation	4	-55	>100%
<b>Profit before taxes</b>	<b>1,711</b>	<b>1,932</b>	<b>-11.4%</b>

X = holding companies

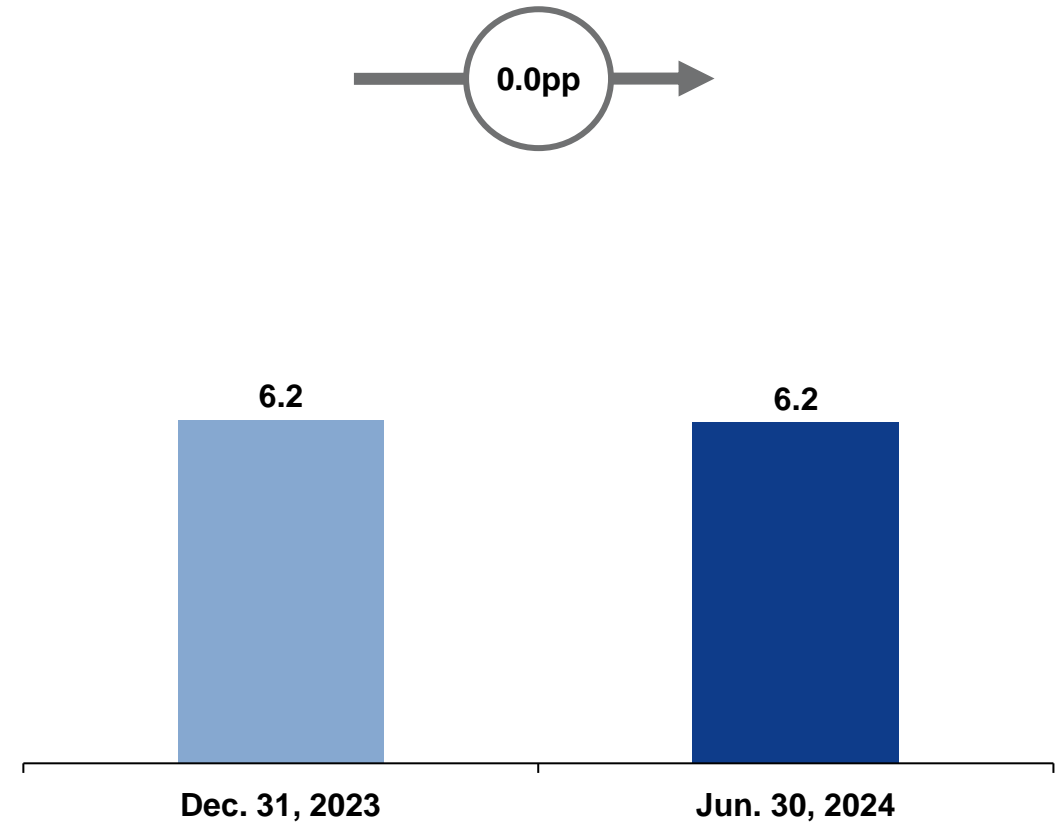
X = companies assigned to the central institution and corporate bank

# Stabilization of capital ratios at a high level

**Common equity Tier 1 capital ratio**  
%



**Leverage ratio**  
%

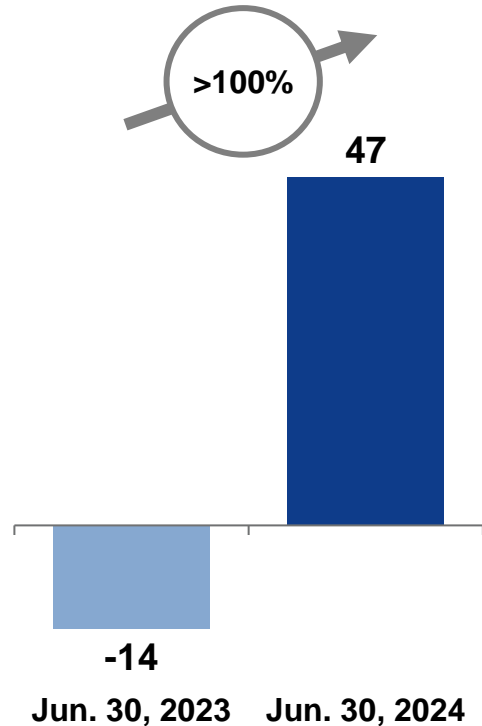


# Segment: Home savings / consumer home finance



## Profit/loss before taxes

€ million



### Market/environment

- Home savings: Overall market undergoing significant consolidation
- Home finance: Overall market slowly recovering

### Operating performance

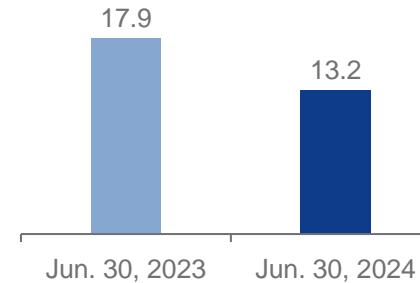
- Home savings: Decline in volume of new business compared with prior-year period, but growing market share
- Home finance and home savings loans: New business on a par with the prior-year period

### Profit/loss before taxes

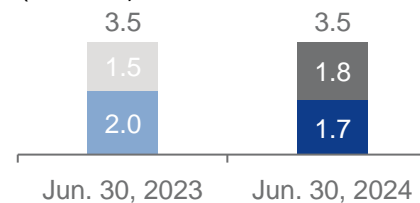
Improving earnings situation as expected

## Operating performance

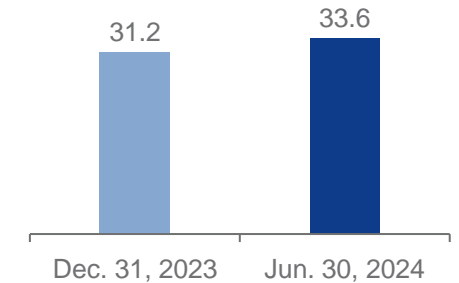
### New home savings business (€ billion)



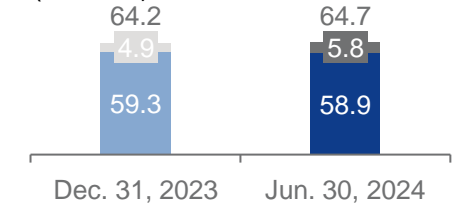
### New home finance (on BSH's books)<sup>1)</sup> and New home savings loans (€ billion)



### Home savings market share in Germany (%)



### Volume of home finance (on BSH's books) and Volume of home savings loans (€ billion)



**Good business performance from BSH; earnings expectations in line with the planning**

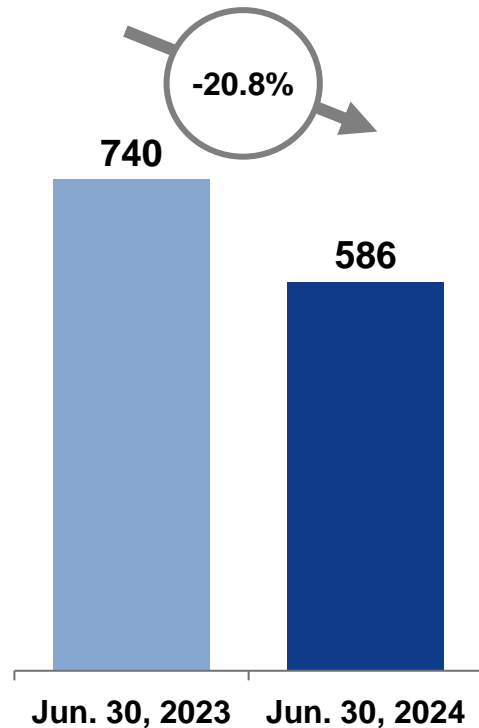
1) Additional new business (on other banks' books): €7.5 billion, Jun. 30, 2023: €6.9 billion (of which with local cooperative banks: €6.8 billion, Jun. 30, 2023: €6.4 billion)

# Segment: Insurance



## Profit before taxes

€ million



### Market/environment

Challenging situation (inflation, claims, etc.) for the insurance industry

### Operating performance

- Supported by a good level of premiums across all divisions
- Natural disaster claims in line with the planning in the direct insurance and reinsurance businesses, but affected by uncertainties in the second half of the year

### Profit before taxes

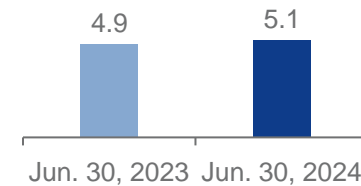
- Good operating performance despite temporary rise in claims expenses

## Operating performance

### Non-life

#### Gross premiums written

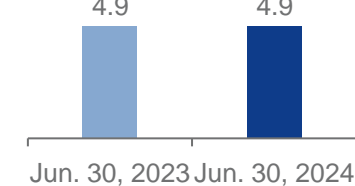
(€ billion)



### Life/health

#### Gross premiums written

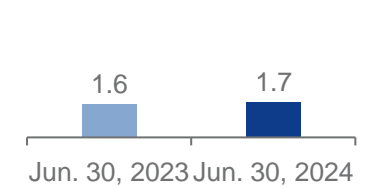
(€ billion)



### Inward reinsurance

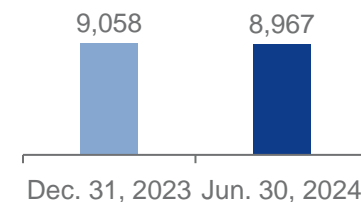
#### Gross premiums written

(€ billion)



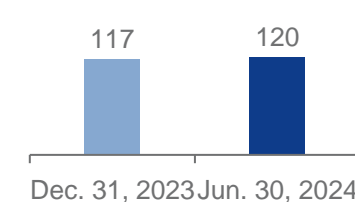
### Number of customers

(thousands)



### Investments

(€ billion)



**Good operating performance amid challenging conditions; prior-year period influenced by very favorable movements in the capital markets and a low volume of claims**

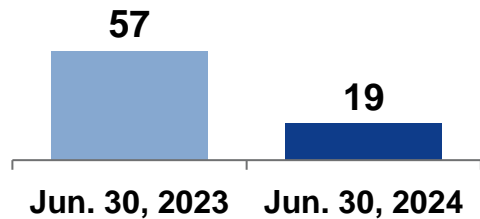


# Segment: Consumer finance business



## Profit before taxes

€ million



### Market/environment

Fierce competition and poor consumer sentiment

### Operating performance

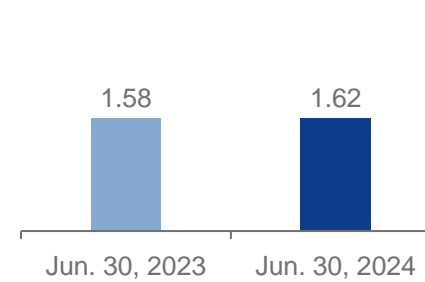
Healthy new business; slight rise in market share

### Profit before taxes

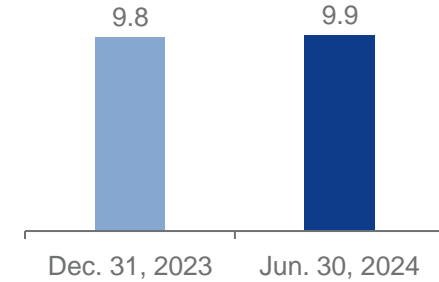
Decline in profit before taxes, mainly in connection with higher loss allowances

## Operating performance

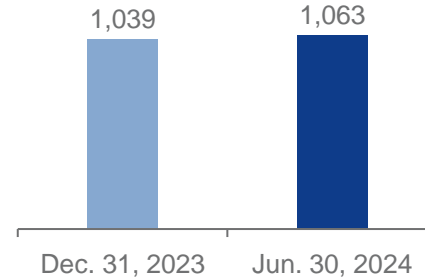
### Volume of new business (€ billion)



### Loans and advances to customers (€ billion)



### Number of customers (thousands)



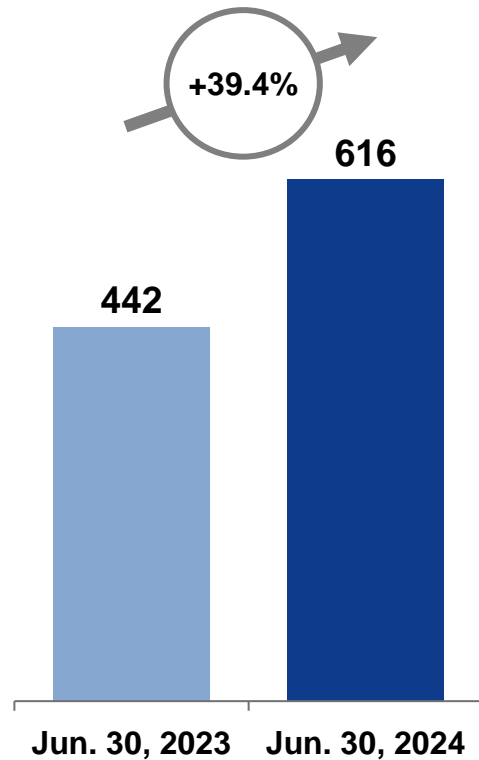
Healthy new business despite challenging market conditions; lower profit before taxes owing to higher loss allowances

# Segment: Asset management



## Profit before taxes

€ million



### Market/environment

Capital market environment remains robust; ongoing geopolitical challenges

### Operating performance

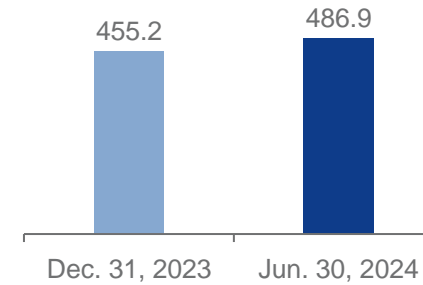
Net inflows from retail clients remain at a very good level; sharp rise in net inflows from institutional clients

### Profit before taxes

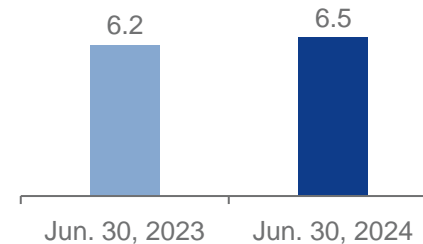
Good financial performance with a significant year-on-year rise in profit before taxes

## Operating performance

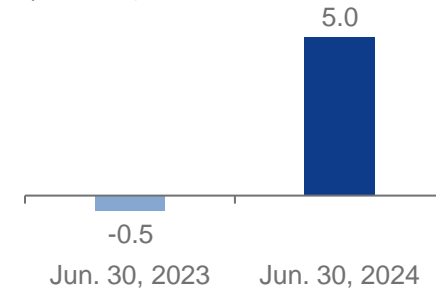
### Assets under management (€ billion)



### Net inflows from retail clients (€ billion)



### Net inflows from institutional clients (€ billion)

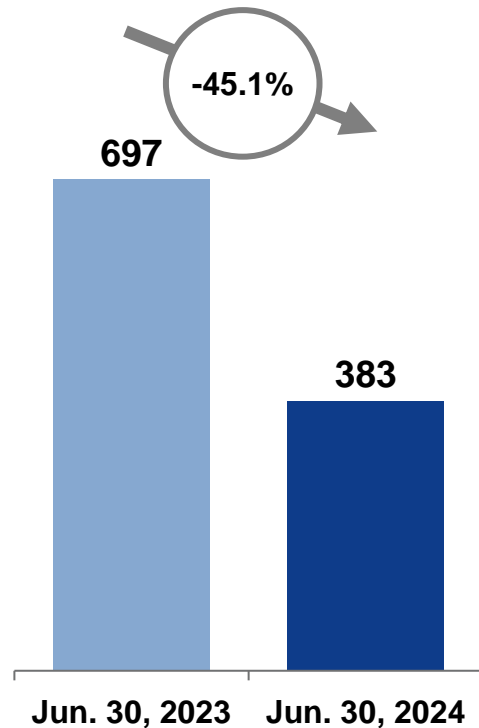


Very good performance in the first half of 2024

# Segment: DZ BANK – central institution and corporate bank

## Profit before taxes

€ million



### Market/environment

Demand in the customer business remains healthy

### Operating performance

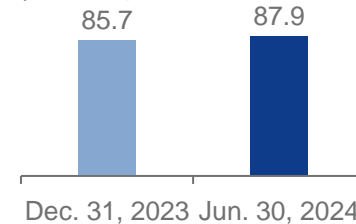
- Growth of the lending volume in corporate banking
- Very successful cross-selling to corporate banking customers
- Continued good performance in payments processing, credit card sales, depository business, and custody services business
- Growth in investment certificates and structured bonds; decline in the volume of fixed-income bond sales
- Year-on-year increase in loss allowances, but lower than budgeted

### Profit before taxes

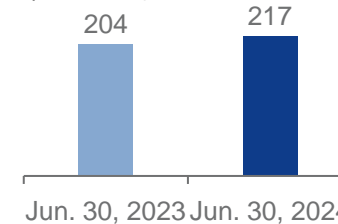
- Decrease compared with prior-year period, mainly because of IFRS effects (primarily the valuation of own issues)

## Operating performance

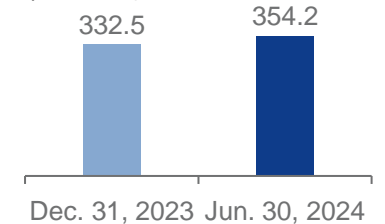
### Corporate customer lending volume<sup>1</sup> (€ billion)



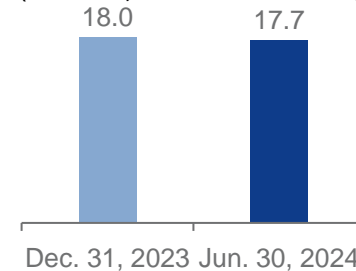
### Cross-selling CM I corp.bk. customers (€ million)



### Depository services (AuD) (€ billion)

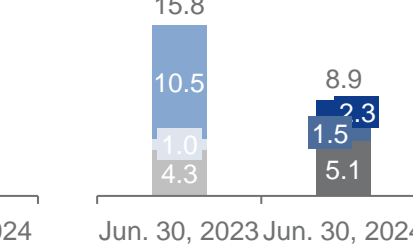


### Volume of joint credit business (€ billion)

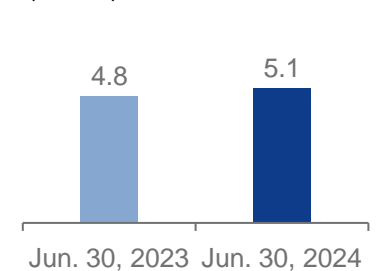


### Sales vol. (€ billion)

■ Fixed-income bonds  
■ Structured bonds  
■ Investment certificates



### Number of payments processing transactions (billion)



**Good operating performance in the first half of 2024; healthy profit before taxes at above-budgeted level**

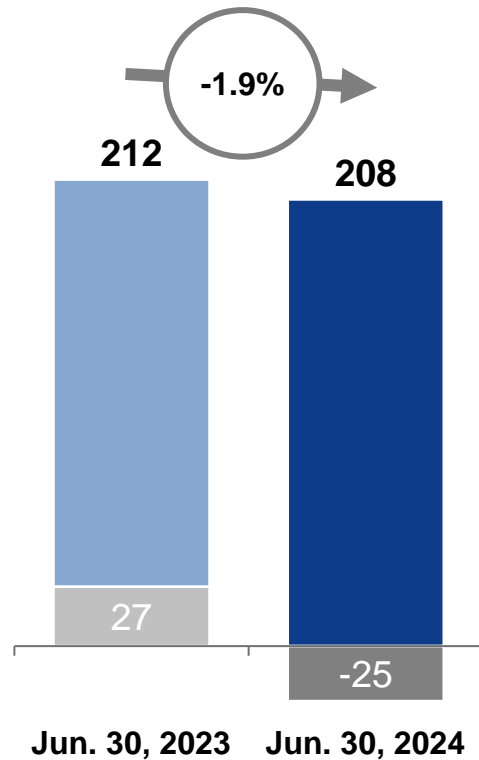
<sup>1</sup> Corporate banking business in Germany and Structured Finance.

# Segment: Commercial real estate finance



## Profit before taxes

€ million



### Market/environment

Real estate sector weighed down by geopolitics, higher costs, level of interest rates, and economic uncertainty

### Operating performance

- Total volume of real estate finance holds steady
- New business stabilized above the figure for the prior-year period

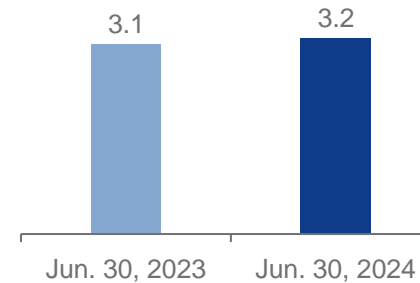
### Profit before taxes

- Stable operating performance, with loss allowances in line with expectations
- Gains and losses on valuation remain volatile

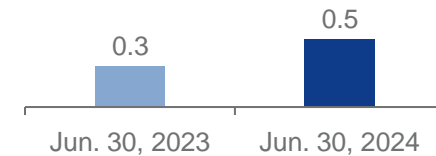
Of which gains and losses on valuation

## Operating performance

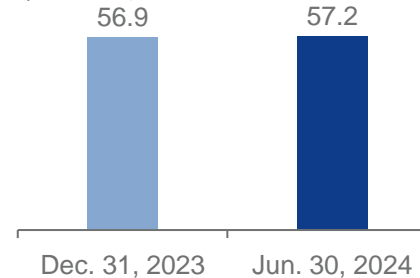
New business with corporate customers (€ billion)



New business with retail customers (€ billion)



Total volume of real estate finance (€ billion)

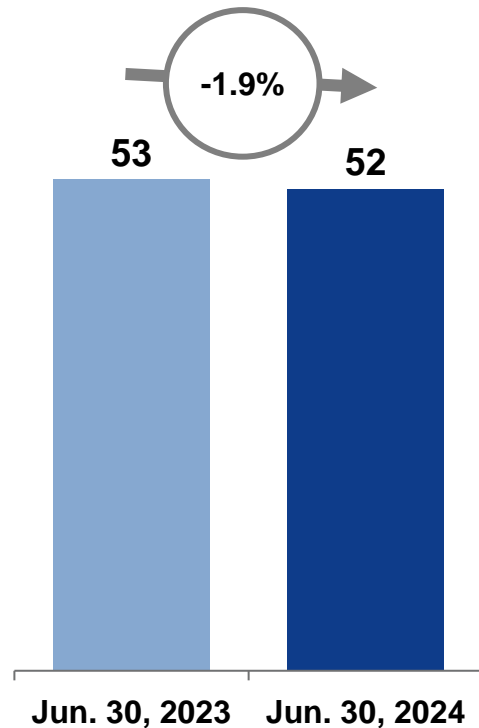


Stable operating performance in a challenging environment for real estate

# Segment: Private banking

## Profit before taxes

€ million



### Market/environment

Favorable conditions thanks to higher interest rates and healthy capital markets

### Operating performance

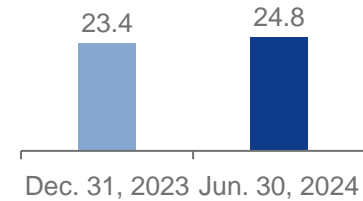
- Increased demand for deposit and liquidity solutions
- Inflows in fund services business, especially in respect of alternative investments

### Profit before taxes

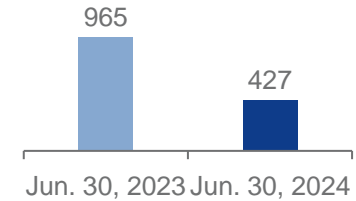
Profit before taxes above expectations, predominantly due to rise in net interest income

## Operating performance

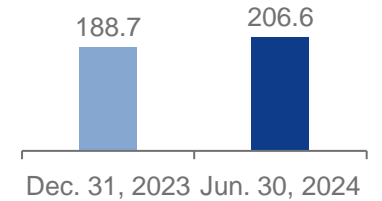
### Assets under management (€ billion)



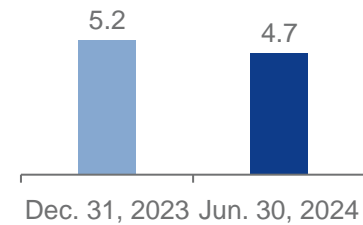
### Net inflows (€ million)



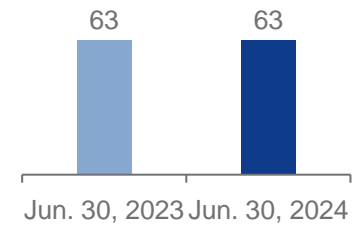
### Assets under custody (€ billion)



### Lending volume (€ billion)



### Value created in the Cooperative Financial Network (€ million)



Trend remains positive in 2024



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



## Loss before taxes

€ million



### Market/environment

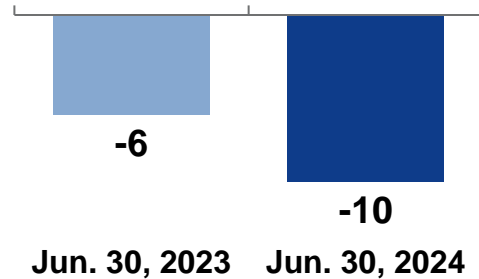
Challenging environment with economic prospects remaining gloomy and little willingness to invest on the part of self-employed and small business customers

### Operating performance

Healthy increase in the volume of business and in demand for higher-interest products

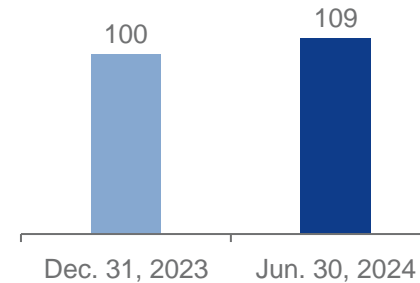
### Loss before taxes

Year-on-year deterioration in the loss before taxes attributable to a rise in loss allowances resulting from the economic situation

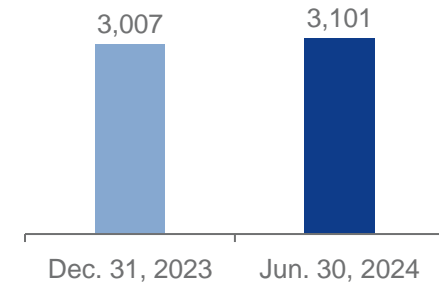


## Operating performance

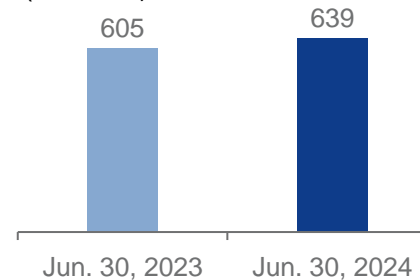
### Number of customers (thousands)



### Volume of business (€ million)



### Volume of new business (€ million)



**Good growth in the volume of business; loss before taxes affected by higher loss allowances resulting from the economic situation**

# Targeted investment in topics of the future



## Use of generative artificial intelligence

- » Opportunity to unlock further efficiencies – 170 applications identified
- » **Proprietary DZ Chat** solution to evolve into a **GenAI platform**



## Expansion of our blockchain expertise

- » Support for the **first** blockchain-based **digital bond** to be issued by KfW and for a number of transactions carried out on our **cryptodepository platform**
- » Cryptocurrency trading for **retail customers to be piloted** at the end of the year



## Harmonization of payments processing platforms

- » Entire payments processing operations combined on one **powerful, inhouse platform**, laying the foundations for further **innovation**
- » One of the **largest infrastructure projects** of recent years (ZVOne)

# Outlook

- » **Geopolitical risks and weak economic conditions will continue to prevail in the second half of 2024**
- » **Targeted investment in topics of the future**
- » **Particular focus on the three D's:  
1) Digitalization, 2) Decarbonization/ESG, and 3) Demographic change/employer branding**
- » **Outlook: Profit before taxes for 2024 expected to be within the long-term target range of €2.0 billion to €2.5 billion**

## 2. Data annex

# Segment: Home savings/consumer home finance

## Income statement (IFRS)



€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	282	244	38	+15.6%
Net fee and commission income	-1	-6	5	+83.3%
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	3	-3	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	-6	-4	-2	+50.0%
Administrative expenses	-249	-269	20	-7.4%
Other net operating income	22	18	4	+22.2%
<b>Profit/loss before taxes</b>	<b>47</b>	<b>-14</b>	<b>61</b>	<b>&gt;100%</b>



# Segment: Insurance

## Income statement (IFRS)



€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Insurance service result	954	1,122	-168	-15.0%
Gains/losses on inv. held by ins. comp. & other ins. comp. gains/losses	3,033	2,104	929	+44.2%
Insurance finance income or expenses	-3,407	-2,487	-920	-37.0%
Gains and losses from derecognition of FI measured at AC	0	3	-3	>100%
Other net operating income	6	-2	8	>100%
<b>Profit before taxes</b>	<b>586</b>	<b>740</b>	<b>-154</b>	<b>-20.8%</b>

# Segment: Consumer finance business

## Income statement (IFRS)



€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	262	268	-6	-2.2%
Net fee and commission income	-18	-22	4	+18.2%
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	-86	-51	-35	+68.6%
Administrative expenses	-143	-143	0	+0.0%
Other net operating income	4	6	-2	-33.3%
<b>Profit before taxes</b>	<b>19</b>	<b>57</b>	<b>-38</b>	<b>-66.7%</b>

# Segment: Asset management

## Income statement (IFRS)



€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	31	17	14	+82.4%
Net fee and commission income	1,126	988	138	+14.0%
Gains and losses on trading activities	0	0	0	n/a
Gains and losses on investments	5	-2	7	>100%
Other gains and losses on valuation of financial instruments	69	71	-2	-2.8%
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	0	0	0	n/a
Administrative expenses	-612	-595	-17	+2.9%
Other net operating income	-3	-37	34	+91.9%
<b>Profit before taxes</b>	<b>616</b>	<b>442</b>	<b>174</b>	<b>+39.4%</b>

# Segment: DZ BANK – central institution and corporate bank

## Income statement (IFRS)



€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	791	658	133	+20.2%
Net fee and commission income	312	203	109	+53.7%
Gains and losses on trading activities	-72	584	-656	>100%
Gains and losses on investments	7	-1	8	>100%
Other gains and losses on valuation of financial instruments	88	-91	179	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	37	5	32	>100%
Loss allowances	-53	36	-89	>100%
Administrative expenses	-728	-732	4	-0.5%
Other net operating income	1	35	-34	-97.1%
<b>Profit before taxes</b>	<b>383</b>	<b>697</b>	<b>-314</b>	<b>-45.1%</b>

# Segment: Commercial real estate finance

## Income statement (IFRS)



€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	389	346	43	+12.4%
Net fee and commission income	5	5	0	+0.0%
Gains and losses on trading activities	0	-1	1	>100%
Gains and losses on investments	0	0	0	n/a
Other gains and losses on valuation of financial instruments	-25	27	-52	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	-39	-20	-19	+95.0%
Administrative expenses	-131	-153	22	-14.4%
Other net operating income	9	9	0	+0.0%
<b>Profit before taxes</b>	<b>208</b>	<b>212</b>	<b>-4</b>	<b>-1.9%</b>



# Segment: Private banking

## Income statement (IFRS)

 DZ PRIVATBANK

€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	89	70	19	+27.1%
Net fee and commission income	115	109	6	+5.5%
Gains and losses on trading activities	12	10	2	+20.0%
Gains and losses on investments	0	0	0	n/a
Other gains and losses on valuation of financial instruments	-22	3	-25	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	-1	0	-1	n/a
Loss allowances	0	0	0	n/a
Administrative expenses	-146	-144	-2	+1.4%
Other net operating income	5	5	0	+0.0%
<b>Profit before taxes</b>	<b>52</b>	<b>53</b>	<b>-1</b>	<b>-1.9%</b>

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

## Income statement (IFRS)

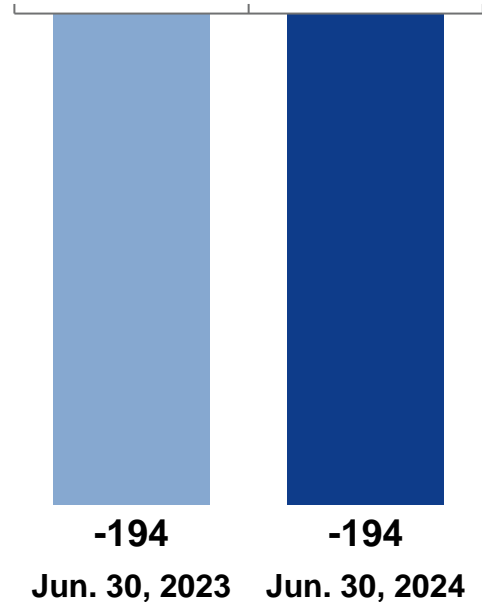


€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	69	60	9	+15.0%
Net fee and commission income	-17	-14	-3	-21.4%
Gains and losses on trading activities	0	0	0	n/a
Gains and losses on investments	0	0	0	n/a
Other gains and losses on valuation of financial instruments	0	0	0	n/a
Gains and losses from the derecognition of financial instruments measured at amortized cost	0	0	0	n/a
Loss allowances	-23	-12	-11	+91.7%
Administrative expenses	-39	-37	-2	+5.4%
Other net operating income	-1	-3	2	+66.7%
<b>Loss before taxes</b>	<b>-10</b>	<b>-6</b>	<b>-4</b>	<b>-66.7%</b>

# Segment: DZ BANK – holding function

## Loss before taxes

€ million



This segment is a cost center for expenses in connection with the holding function

**Net interest income** includes expense arising from spread for subordinated capital and senior non-preferred paper as well as the balance of non-interest-bearing assets/liabilities

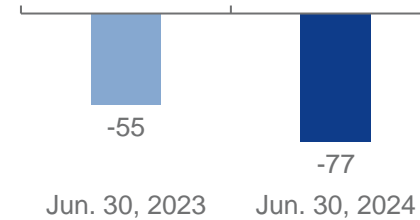
**Administrative expenses** are made up of four categories:

- Expense (based on total assets) for protection levies (primarily bank levy/BVR deposit guarantee fund)
- IT and project costs
- Group function costs
- Further costs for Cooperative Financial Network

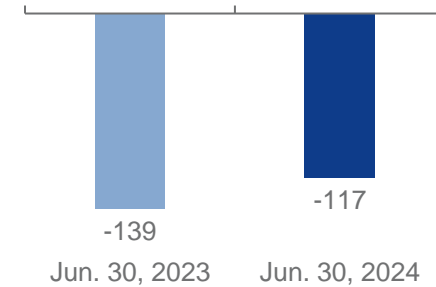
**Loss before taxes** unchanged year on year

## Operating performance

**Net interest income**  
(€ million)



**Administrative expenses**  
(€ million)



**Holding function's loss before taxes on a par with prior-year period; higher net interest expense offset by absence of the bank levy**

# Segment: DZ BANK – holding function

## Income statement (IFRS)



€ million	Jan. 1– Jun. 30, 2024	Jan. 1– Jun. 30, 2023	Change (absolute)	Change (%)
Net interest income	-77	-55	-22	-40.0%
Administrative expenses	-117	-139	22	-15.8%
<b>Loss before taxes</b>	<b>-194</b>	<b>-194</b>	<b>0</b>	<b>+0.0%</b>

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