LBBW: A brief overview

Mittelstand-minded Universal Bank
LBBW is a Mittelstand-minded Universal Bank with deep roots in Baden-Württemberg

Strong partner for our customers
We are a partner for SMEs, listed corporations, institutional customers, savings banks and private customers

Data and facts
Headquarters: Stuttgart, Mainz, Karlsruhe and Mannheim
Group employees December 2018: Approximately 10,000
Total assets December 2018: EUR 241bn

Specialized Group subsidiaries
LBBW Asset Management
LBBW Immobilien
MMV Bank
SüdLeasing
SüdFactoring
LBBW – Universal Bank with the Mittelstand-Mindset well positioned for the future with four strategic priorities

The Mittelstand-minded Universal Bank

What makes us Mittelstand-minded

- Long standing customer relationships
- Owners with long-term orientation
- Unique corporate identity
- Deep regional roots
- Strong capital base
- Innovations and process excellence
- High quality standards

Our mission

As bankers, we are making a significant contribution to the economic and financial success of our customers and society.

Our strategic levers

- Business focus
- Digitalization
- Sustainability
- Agility

Our values

- Performance-oriented
- Consistent
- Responsible-minded
LBBW provides services to companies, private customers, institutional customers and savings banks

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<td>SMEs, key accounts and multinationals</td>
<td>Commercial real estate business, financing solutions for major projects</td>
<td>Providing advisory services for savings bank and customer banks, companies and institutional customers</td>
<td>High net worth private customer business, function of a savings bank in Stuttgart, business customers and freelancers, foundation management</td>
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We have an extensive range of solutions for our customers

Corporate Customers
Real Estate / Project Finance
Capital Markets Business
Private Customers / Savings Banks

Capital Market Products
Capital market investment and financing, risk management products, financial services and research

International Trade and Payment Solutions
Cash management and trade finance products for regional and international activities

Corporate Finance
Comprehensive product-integrated consulting and financing solutions

Project Finance
Project and lease finance

Asset Management
Management of mutual and special funds and direct investments

Asset Management
Professional asset management solutions in the mandate business
LBBW combines an outstanding product range and consulting excellence for all customers

**Corporate Customers**
- 2nd place "Beste Mittelstandsbank" (FINANCE Magazin)
- Placement of green Schuld scheine (VW) and green bonds (innogy)
- World's first Schuld schein (promissory notes) with Daimler and Telefónica using blockchain technology

**Real Estate / Project Finance**
- LBBW Immobilien: DGNB Gold Certificate for Rebstockpark Frankfurt
- 45% sustainable project finance volume
- Winner of the Europe Property Finance Awards for the Best Syndication Platform

**Capital Markets Business**
- Award as Best Green Bond Issuer 2018
- Best Schuld schein Dealer and best German SME Dealer
- Pilot portals and platform solutions such as DEBVISION as digital platform for the issuance of promissory notes

**Private Customers / Savings Banks**
- Top Asset Management 2018 (awarded by FocusMONEY)
- Expanding the digital offer: Lead issuer for Google Pay
- Foundation Management of BW-Bank ranked 1st on the all-time best list of Fuchs-Professional rating
LBBW is present with two strong brands in many regions

LBBW

- Corporate customers
- Real estate and project finance
- Customer-oriented capital-markets business
- Central bank of the savings bank

BW BANK

- Retail customers and private asset management
- Savings bank function in Stuttgart
- Business and corporate customers in Baden-Württemberg
With deep roots in Baden-Württemberg and Germany, present in a number of economic and financial hubs.
Underlying conditions for banks in the past year

**Economy**
Cloudy economic prospects in the euro area

**Interest rates**
Interest rates persistently low

**Regulations**
Continued complex requirements

**Market**
Intense competition and digitalization
Despite increasing pressure on banks' earnings: Good earnings and very good capitalization of LBBW

- Consolidated profit before tax increased by 8.4 % in difficult environment
- Significant growth in customer business, in particular in financing for companies and real estate, while maintaining the conservative risk policy
- Successful turnaround: Private customer business back in the black
- Common equity Tier 1 capital ratio at a very solid 15.1 %
- Despite consistently high investments in IT, cost/income ratio (CIR) significantly decreased to 72.8 %
- For 2019 as a whole, profit before tax expected in the mid-three-digit million Euro range
Owners of LBBW make sound foundation

1 The Federal State of Baden-Württemberg has a direct stake of 24.988% and an indirect stake of 15.546% in LBBW via the Landesbeteiligungen Baden-Württemberg GmbH.
Members of the LBBW Board of Managing Directors

Rainer Neske
Chairman of the Board of Managing Directors
Finance / Strategy, IT, Law, Human Resources, Communications / Marketing / Staff unit of the Board of Managing Directors

Michael Horn
Deputy Chairman of the Board of Managing Directors
Private and Business Customers / Savings Banks

Dr Christian Ricken
Member of the Board of Managing Directors
Capital Market Business and Asset Management, International Business

Karl Manfred Lochner
Member of the Board of Managing Directors
Corporate Customers

Thorsten Schönenberger
Member of the Board of Managing Directors
Real Estate and Project Finance

Volker Wirth
Member of the Board of Managing Directors
Chief Risk Officer (CRO) Risk Management, Compliance and Internal Auditing

1 Reports directly to all members of the Board of Managing Directors
LBBW assumes responsibility for its customers and for...

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**...employees**

To ensure the future existence of our bank through the acquisition, retention and development of our employees

- Talent management
- Company pension scheme

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**...the environment and society**

At LBBW, we are making an important social contribution

- Donor, sponsor and patron of various initiatives
- Lower CO₂ emissions by more than 75% between 2007 and 2017
- Use of green energy since 2009

**Funds of LBBW foundation totaling EUR 25 million since 1984**

**Power consumption decreased by 10% since 2013**

**EUR 25,000 Remaining-Cent since 2015**
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