

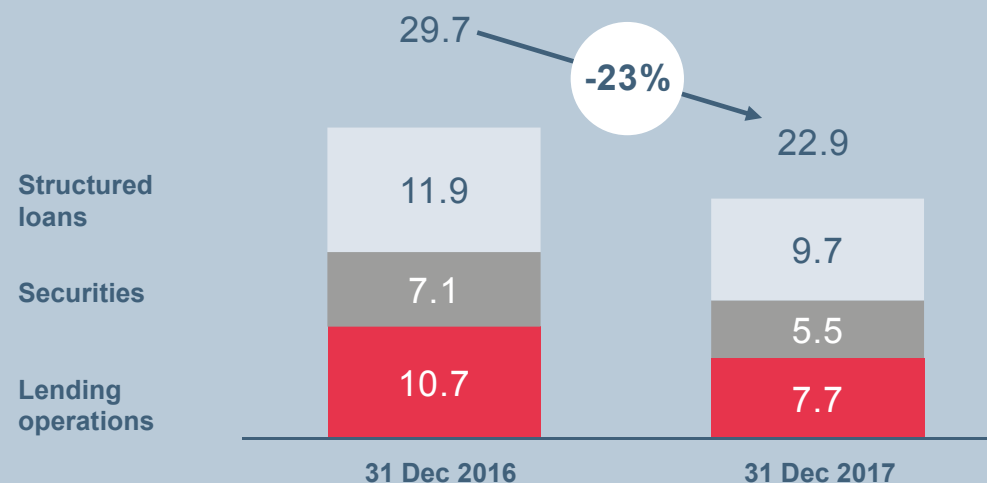


Fiscal year 2017 – Facts and Figures

- At EUR 14 million, this marks the sixth year in a row with a profit
- Volume of loans, securities and derivatives lower by more than 20%
- Administrative expenses down sharply again by 16%
- End of legal disputes with local municipalities reduces risk significantly
- Disposal of participations continued and major restructuring completed successfully
- Portfolio services secured through privatisation and outsourcing
- Service strategy opens perspectives for staff of the EAA Group in private environment

Steep wind-up of banking book with stable portfolio quality

- The **loan portfolio decreased by about EUR 3 billion (-28%)**. The complexity of the loan portfolio was further reduced thanks to successful restructuring.
- The **securities portfolio decreased by about EUR 1.6 billion (-22%)**. 80% of the rest of the portfolio attributable to public borrowers.
- **Structured loans decreased by about EUR 2.2 billion**. The **Phoenix Portfolio stands out (65%)**; it fell from about EUR 8 to about EUR 6.3 billion.
- The **investment-grade share of the banking book remained stable at 68%** (2016: 69%).

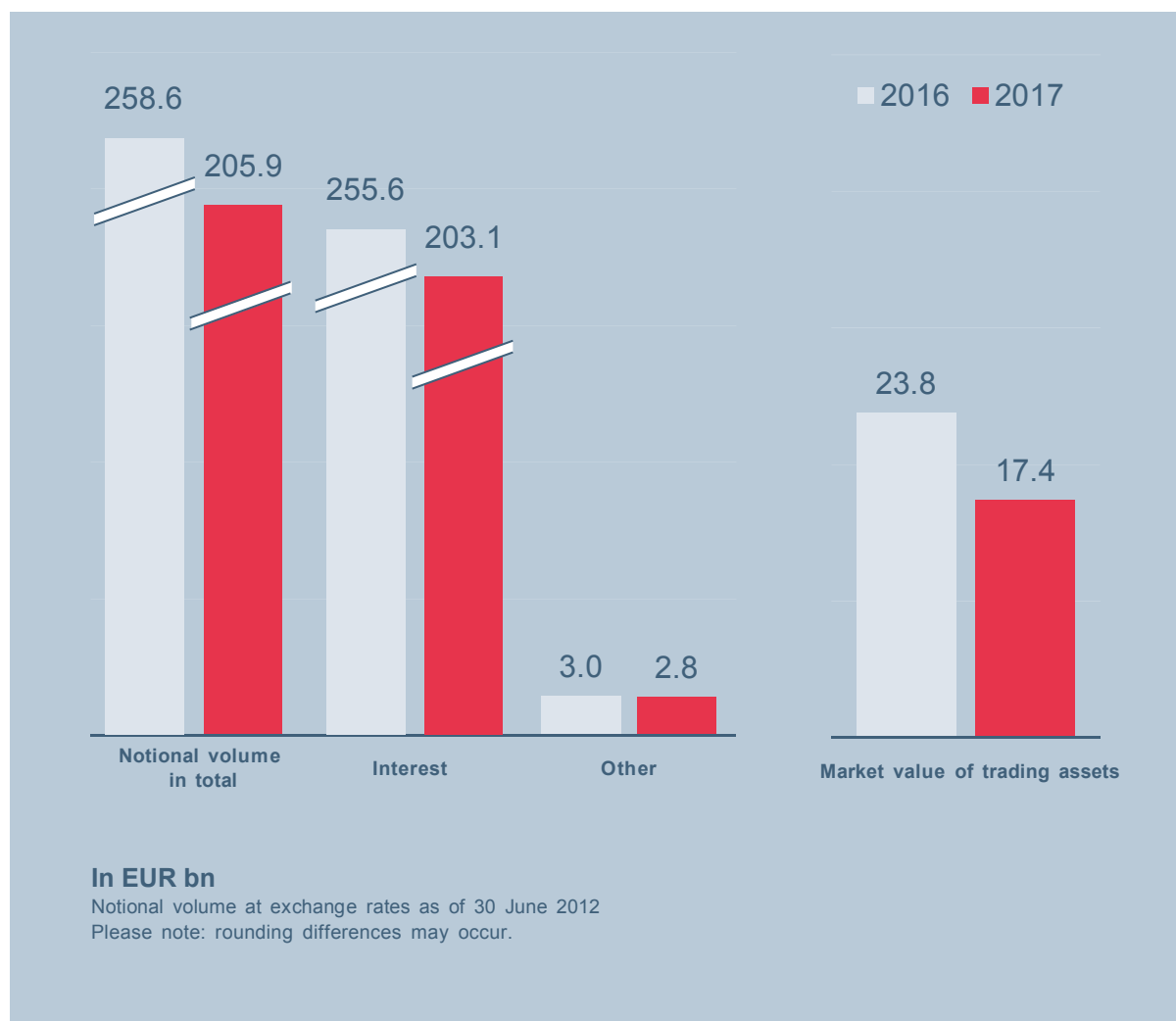


Notional volume in EUR billion (exchange rates as of 31 December 2011)

Please note: rounding differences may occur.

Trading portfolio sharply reduced in notional and book value

- The **notional volume of the derivatives** held in the trading portfolio **fell by almost EUR 53 billion (-20%)**.
- On the **balance sheet**, the derivatives are recognised **at market value**. The **market value of the trading assets declined by about EUR 6.3 billion** and **contributed** therefore to a **reduction of risks**.
- In addition, **risks** and **administrative expenses** were reduced **thanks to targeted measures** to reduce the number of counterparties.



Balance sheet total reduced by around EUR 14 bn, ...



Assets in EUR bn

2017

2016

Cash reserve

2.0

1.7

Loans and advances to banks

5.5

7.3

Loans and advances to customers

11.0

14.1

Bonds and other
fixed-income securities

9.3

12.9

Trading portfolio

17.4

23.8

Long-term equity investments and shares in
affiliates

1.3

0.9

Other assets/prepaid expenses/accrued
income

0.1

0.1

Total assets

46.6

60.7

Liabilities in EUR bn

2017

2016

Deposits from banks

2.1

2.8

Deposits from customers

3.0

3.4

Debt securities in issue

23.5

30.6

Trading portfolio

16.9

22.7

Other liabilities/
Accrued expenses/deferred income

0.2

0.2

Provisions

0.2

0.3

Equity

0.7

0.6

Total liabilities and equity

46.6

60.7

Contingent liabilities

3.5

6.6

Other obligations

1.9

3.1

Business volume

52.0

70.3

Please note: the presentation is abridged; rounding differences may occur.

Net profit positive at about EUR 14 million despite wind-up

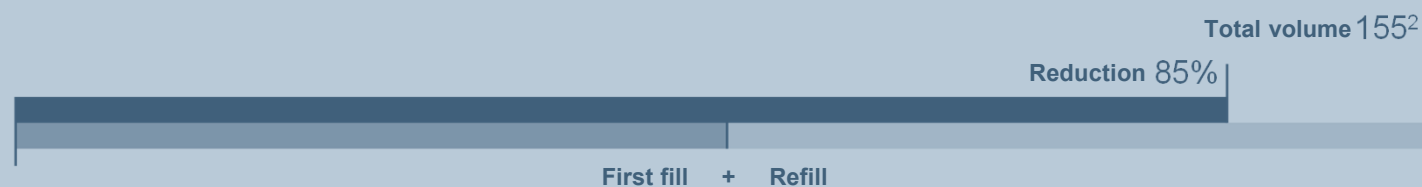
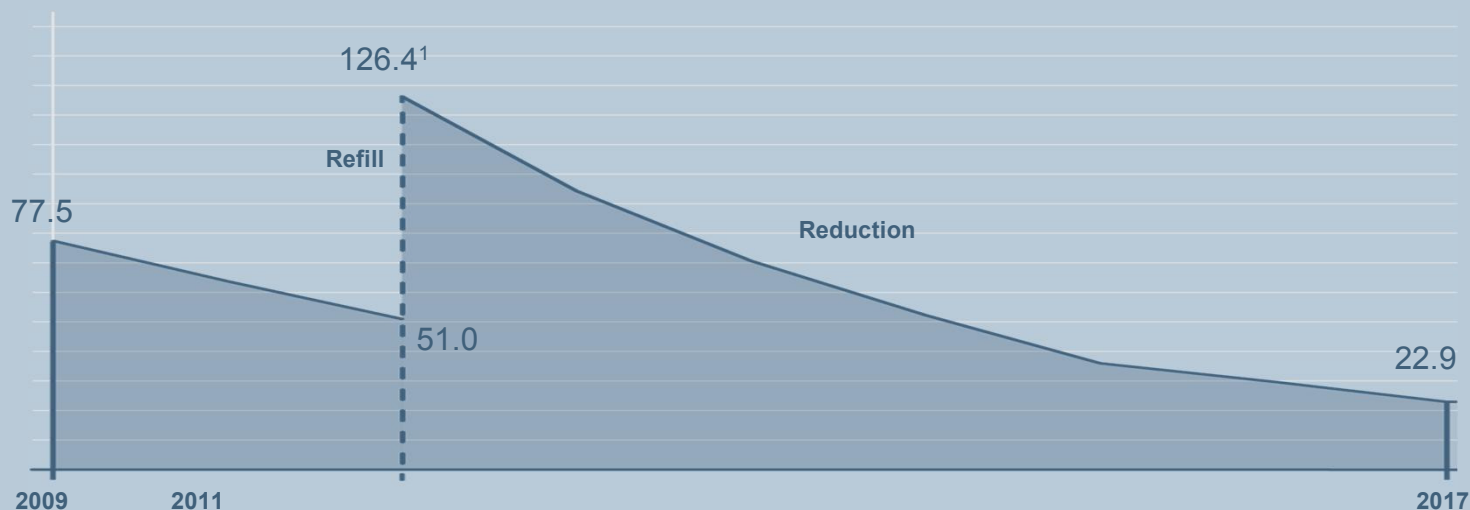
- **Interest income and fee and commission income decreased** due to the portfolio reduction **by EUR 55.3 million** (-30%). The fee and commission income includes about **EUR 19 million in interest payments to investors in the EAA** for the equity capital drawing limit.
- The **reduction in the trading result** is due in part to the **expenses from the claims brought by municipalities**.
- **Price gains from securities and gains from the selling of investments** led to an **improved result** from financial assets and shareholdings.
- In the risk result, **recoveries from written-off receivables** and **resolutions after loan sales** had a **positive impact**.
- **Administrative expenses declined again**. The reduction of EUR 34.1 million (-16%) was due to **cost discipline** and **declining costs** for portfolio services and restructuring.

in million EUR	2017	2016
Net interest income	142.9	173.9
Net fee and commission income	-12.8	11.5
Net trading result	13.9	33.6
General administrative expenses	-178.7	-212.8
Other operating income and expenses	0.8	-3.3
Results from financial assets and shareholdings	94.0	14.7
Results prior to risk provisioning	60.1	17.6
Credit risk provision	-30.5	-7.4
Results before taxes	29.6	10.2
Taxes	-15.2	-0.6
Net profit for the year	14.4	9.6

Please note: the presentation is abridged; rounding differences may occur

Wind-up 2010 to 2017

More than four fifths of the former WestLB portfolio wound up: The banking book



Notional volume in EUR billion

2009 to 2011: in exchange rates as of 31 December 2009, 2012 to 2017: in exchange rates as of 31 December 2011

¹ Takeover of 1 January 2012, ² total amount adjusted for exchange rates

More than four fifths of the former WestLB trading portfolio wound up



Notional volume in EUR billion

Risks reduced and value increased as planned

- The **EAA portfolio** is **notionally smaller than expected** for this time period and is **of mostly good and medium quality**.
- The **most important operative investments** were **sold**. This **reduced the financial and operational risks**.
- Thanks to **restructuring measures** the EAA was able to **preserve value and increase the potential for gains** by **winding up investments and lending**.
- With the **conclusion of the interest rate swap process** with municipalities a **loss potential in the billions** was wound up.
- **Active lawsuits** and other **legal measures** led to **considerable cash inflows**, especially in the **Phoenix portfolio**.
- **Together with Portigon** the **international locations** of the former WestLB were wound up, with the exceptions of **New York, London and Madrid**.
- With the **early reduction of risks** the EAA contributed to the **planning security and creditworthiness** of its investors.