

## ANNEX TO ANNUAL FINANCIAL STATEMENTS

### PURSUANT TO ART. 26A PARA. 1 SENTENCE 2 OF THE GERMAN BANKING ACT (KWG) FOR THE PERIOD ENDING 31.12.2018 ("COUNTRY BY COUNTRY REPORTING")

Münchener Hypothekbank eG is a Pfandbrief Bank operating in the legal format of a registered cooperative. The Bank's core areas of business are granting mortgage loans for residential and commercial property, as well as issuing Mortgage Pfandbriefe. The Bank's most important market is Germany. Furthermore, business relationships are also maintained with clients in other European countries, in particular. All of the Bank's business is processed at its head office in Munich. The Bank does not maintain any branch offices outside of Germany.

Münchener Hypothekbank eG defines its revenues as the sum of the following components of the income statement pursuant to the rules of the German Commercial Code (HGB): interest income, interest expenses, current income from participating interests and shares in cooperatives and investments in affiliated companies, income from profit-pooling, profit transfer or partial profit transfer agreements, commission received, commission paid and other operating income. Revenues for the period 1 January to 31 December 2018 were € 210,082 thousand.

The number of full-time equivalent salaried employees is 504.45.

Profit before tax amounts to € 76,038 thousand.

Taxes on income amount to € 27,339 thousand and, after netting extraordinary income of € 7,468 thousand from refunds of corporate income tax credits, refer to current taxes of € 34,807 thousand.

Münchener Hypothekbank eG did not receive any public assistance during the current business year.